CALL CITY COUNCIL REGULAR MEETING TO ORDER

ROLL CALL/PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

PUBLIC COMMUNICATION

- Sound Cities Association Presentation – 15 minutes (Deanna Dawson, Executive Director)

PUBLIC COMMENT Persons addressing the Council shall state their name, address, and organization for the record. Speakers shall address comments to the City Council, not the audience or the staff. Public Comment is not intended for conversation or debate. Comments shall be limited to no more than four minutes per person and no more than ten minutes per group. If additional time is needed the city shall be notified in advance and background information shall be submitted in writing regarding the topic that will be addressed. The city reserves the right to deny any request, based on time constraints. Individuals may petition the City Clerk or the City Manager to appear on the agenda of a future study session as time allows for up to 15 minutes to address the council on specific issues or requests.*

APPROVE CONSENT AGENDA

C-1. Minutes: November 13, 2012 Regular Meeting Minutes (Scott)
C-2. Vouchers (Hendrickson)
C-3. Accept Department of Commerce Aquatics Renovation Grant (Thomas)
C-4. Accept King Conservation District Parks Grant (Thomas)

REPORTS OF COMMISSIONS

- Human Services Chair Haris Ahmad: November 8 meeting.
- Arts Chair Sandy Bisordi: November 8 meeting.
- Budget Priorities Advisory Committee Liaison: November 7 meeting; November 21 meeting rescheduled to November 28.
- Parks & Recreation Chair Steven Pand: November 7 special meeting.
- Planning Chair Daniel Key: November 1 and November 15 meetings.
- Economic Development Council Co-Chair Jeff Wagner: October 25 meeting; November 22 meeting canceled.

PUBLIC HEARING

1. Receive Public Testimony Regarding Proposed Fiscal Year 2013 Budget

CONTINUED BUSINESS

2. Continue 2013 Budget Deliberations (Hendrickson)
NEW BUSINESS
3. Consider Ordinance Setting the 2012 Property Tax Levy for Collection in 2013 (Hendrickson)
4. Consider Ordinance Authorizing a Property Tax Increase (Hendrickson)
5. Report on Proposed Scope of Work on Northern Gateway Area Study Phase II (Hart)
6. Write-Off of Uncollectible Federal and County Surface Water Management Drainage Fees (Hendrickson)

COUNCIL/STAFF COMMENTS - Future Agenda Topics

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

EXECUTIVE SESSION – If Needed

ADJOURN

Any person requiring disability accommodation should contact the City of Covington at 253-480-2400 a minimum of 24 hours in advance. For TDD relay service, please use the state’s toll-free relay service (800) 833-6384 and ask the operator to dial 253-480-2400.
SUBJECT: APPROVAL OF MINUTES: NOVEMBER 13, 2012 CITY COUNCIL 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 ______ Motion ______ Other

Councilmember __________ moves, Councilmember __________ seconds, to approve the November 13, 2012 City Council Regular Meeting Minutes.
City of Covington  
Regular City Council Meeting Minutes  
Tuesday, November 13, 2012  

(This meeting was recorded and will be retained for a period of six years from the date of the meeting).

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, November 13, 2012, at 7:03 p.m., with Mayor Harto presiding.

COUNCILMEMBERS PRESENT:  
Margaret Harto, Mark Lanza, David Lucavish, Marlla Mhoon, Jim Scott, Wayne Snoey, and Jeff Wagner.

STAFF PRESENT:  
Derek Matheson, City Manager; Noreen Beaufre, Personnel Manager; Richard Hart, Community Development Director; Rob Hendrickson, Finance Director; Kevin Klason, Covington Police Chief; Karla Slate, Community Relations Coordinator; Scott Thomas, Parks & Recreation Director; Aaron Walls, Acting City Attorney; and Sharon Scott, City Clerk/Executive Assistant.

Mayor Harto opened the meeting with the assistance of members of Boy Scout Troop 787 who lead the Pledge of Allegiance.

APPROVAL OF AGENDA:  
Council Action: Councilmember Lucavish moved and Councilmember Snoey seconded to approve the Agenda. Vote: 7-0. Motion carried.

PUBLIC COMMENT:  
Mayor Harto called for public comments.

Jules Gommi, Maple Valley resident, President of Cedar Downs Homeowners Association, informed Council that Cedar Downs Homeowners Association had approved funds for a bench and plaque at Cedar Downs Park as a memorial for former Maple Valley Councilmember Gary Patrick. Mr. Gommi further advised that Lisa Parsons of the Middle Green River Coalition recently completed a great deal of work in the park and asked Council to honor her with a bench also.

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

APPROVE CONSENT AGENDA:  
C-1. Minutes: October 9, 2012 City Council Regular Meeting Minutes; October 23, 2012 City Council Special Joint Study Session with Arts Commission Minutes; October 23, 2012 City Council Regular Meeting Minutes; and November 3, 2012 City Council Budget Workshop Minutes.

Council Action: Councilmember Wagner moved and Councilmember Snoey seconded to approve the Consent Agenda. Vote: 7-0. Motion carried.

NEW BUSINESS:
1. Approve Contract for City Hall Carpet Replacement.

Councilmembers provided comments and asked questions, and City Clerk/Executive Assistant Sharon Scott provided responses.

Council Action: Councilmember Wagner moved and Councilmember Scott seconded to award a contract, in substantially the form provided in the agenda packet, to Legacy Group for replacement carpet for city hall. Vote: 7-0. Motion carried.

2. Consider Resolution Amending Development, Building Permit, and Admin Fees.

Senior Planner Salina Lyons gave the staff report on this item.

Councilmembers provided comments and asked questions, and Ms. Lyons provided responses.

RESOLUTION NO. 12-10


Council Action: Councilmember Wagner moved and Councilmember Snoey seconded to pass Resolution No. 12-10 amending the development and permit fees, administrative fees, and transportation impact fees for 2013, as proposed. Vote: 7-0. Motion carried.

3. Consider 2013 Legislative Agenda.

City Manager Derek Matheson gave the staff report on this item.

Councilmember Snoey suggested removing the medical marijuana item from the legislative agenda.
City Manager Derek Matheson concurred that this would be a good idea since the draft legislative agenda had been put together before the recent election that legalized the possession of a small amount of marijuana.

**Council Action:** There was Council consensus to remove the item from the legislative agenda regarding medical marijuana.

Councilmember Wagner moved and Councilmember Scott seconded to adopt the 2013 Legislative Agenda.

Councilmember Mhoon moved and Councilmember Lanza seconded to amend the last bullet item to replace “excluding AWC’s position on LEOFF 2 benefit enhancements.” with “excluding AWC’s position on collective bargaining and pensions.”

Councilmembers discussed this motion.

Councilmember Lanza suggested tabling this item until further information could be provided.

Councilmember Mhoon withdrew her motion to amend the legislative agenda, and Councilmember Lanza withdrew his second to this motion.

Councilmember Wagner withdrew his motion to adopt the legislative agenda, and Councilmember Scott withdrew his second to this motion.

**Council Action:** Councilmember Wagner moved and Councilmember Mhoon seconded to postpone action on the 2013 Legislative Agenda item until the Council’s December 11 meeting. Vote: 7-0. Motion carried.

4. 2012 Third Quarter Financial Reports.

Finance Director Rob Hendrickson gave the staff report on this item.

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

**COUNCIL/STAFF COMMENTS:** Councilmembers and staff discussed Future Agenda Topics and made comments.

**Council Action:** Council concurred to appoint Jeff Wagner as the voting delegate at the annual Suburban Cities Association meeting.

**PUBLIC COMMENT:**

Mayor Harto called for public comments.

There being no comments, Mayor Harto closed the public comment period.
ADJOURNMENT:
There being no further business, the meeting was adjourned at 8:23 p.m.

Prepared by:      Submitted by:

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

RECOMMENDED BY: Rob Hendrickson, Finance Director


PREPARED BY: Joan Michaud, Senior Deputy City Clerk

EXPLANATION: Not applicable.

ALTERNATIVES: Not applicable.

FISCAL IMPACT: Not applicable.

CITY COUNCIL ACTION: _____Ordinance _____ Resolution X Motion _____Other

Councilmember __________ moves, Councilmember ___________ seconds, to approve for payment: Vouchers #28514–28579, in the Amount of $399,018.13, Dated November 14, 2012; and Paylocity Payroll Checks #1000863884-1000863900 Inclusive, Plus Employee Direct Deposits in the Amount of $141,726.36, Dated November 21, 2012.

.
November 14, 2012

City of Covington

City of Covington
City of Covington
Voucher/Check Register

Check # 28514 Through Check # 28579

In the Amount of $399,018.13

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

______________________________    ______________________________
Cassandra Parker                     Mark Lanza
Accountant                            City Councilmember

______________________________    ______________________________
Wayne Snoey                           Marlla Mhoon
City Councilmember                    City Councilmember

Council Meeting Date Approved
## Accounts Payable

### Checks by Date - Detail By Check Date

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**Printed:** 11/16/2012 - 12:19 PM

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Maint shop; garbage bags | 30.95  
61.92  
61.92 |
| 28515     | 11/14/2012  | 2502    | AALL Self Storage  
2502-11 Storage unit; November  
2502-11 Storage unit; December | 154.79 |
| 28516     | 11/14/2012  | 0206    | AFLAC  
045879 Insurance premiums; November | 340.00 |
| 28517     | 11/14/2012  | 0463    | Allied Waste Services  
0176-003564567 Maint shop; waste disposal, 10/1-10/31/12  
0176-003564567 Maint shop; waste disposal, 10/1-10/31/12  
0176-003564567 Maint shop; waste disposal, 10/1-10/31/12  
0176-003564721 Aquatics; waste disposal, 10/1-10/31/12 | 245.05  
226.56  
113.28  
226.56 |
| 28518     | 11/14/2012  | 2033    | Aquatic Specialty Services  
3439 Aquatics; pool chemicals  
3442 Aquatics; clean calibration service | 811.45  
657.78  
124.90 |
| 28519     | 11/14/2012  | 2223    | ARC Imaging Resources  
964204 Plotter/Scanner maint; 10/21-11/21/12  
964204 Plotter/Scanner maint; 10/21-11/21/12  
964204 Plotter/Scanner maint; 10/21-11/21/12 | 782.68  
45.47  
90.95  
90.95 |
| 28520     | 11/14/2012  | 0499    | Bank of America  
0411-11 Aquatics; replacement lid, o-ring  
0411-11 Aquatics; replacement lid, o-ring, use tax  
0411-11 Aquatics; replacement tile  
0411-11 Aquatics; drinking fountain filters  
0411-11 Aquatics; drinking fountain filters, use tax  
1030-11 Trees; SWM Pond #DP-11087 | 227.37  
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-4.16  
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132.92  
-10.53  
124.83 |
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- 28552 Check Date: 11/14/2012
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- 1796-11 Meyers; fire plans examiner certification fee
- 1796-11-1 Meyers; ICC Final Action Hearing, mileage/perd
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- 054257-11 Aquatics; bottled water, October
- 28555 Check Date: 11/14/2012
- 1487 NAPA Auto Parts
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- 649048 Antifreeze, de-icer, oil
- 28556 Check Date: 11/14/2012
- 1327 Ethan Newton
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- 28557 Check Date: 11/14/2012
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- 48707 #2707; manifold valve
- 28558 Check Date: 11/14/2012
- 2524 Northwest Tri & Bike
- 9808 Aquatics; resale items, goggles, caps, earplugs
- 28559 Check Date: 11/14/2012
- 0004 Office Depot
- 628314090001 Office supplies
- 629308810001 Office supplies
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- 630529041001 Office supplies

AP-Checks by Date - Detail By Check Date (11/16/2012 - 12:19 PM)
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| Date Totals: | 399,018.13 |

**Report Total:**

| 399,018.13 |
November 21, 2012

City of Covington

Payroll Approval

- Request Council approval for payment of Payroll dated 11/21/12 consisting of:

PAYLOCITY CHECK # 1000863884 through PAYLOCITY CHECK # 1000863900 inclusive, plus employee direct deposits

IN THE AMOUNT OF $141,726.36

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

________________________________________
Robert M. Hendrickson
Finance Director

________________________________________
Mark Lanza
City Councilmember

________________________________________
Wayne Snoey
City Councilmember

________________________________________
Marlla Mhoon
City Councilmember

Council Meeting Date Approved:

________________________________________
## 11/21/12 Payroll Voucher

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**Totals for Payroll Checks** 78 Items  
**91,284.28**

**Third Party Checks for Account Paylocity Account**

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**Totals for Third Party** 11 Items  
**33,525.08**

- **Tax Liabilities**: 16,600.50
- **Paylocity Fees**: 316.50
- **Grand Total**: $141,726.36
SUBJECT: AUTHORIZE CITY MANAGER TO SIGN A GRANT FUNDING AGREEMENT FOR RENOVATION OF THE COVINGTON AQUATIC CENTER.

RECOMMENDED BY: Scott Thomas, Parks and Recreation Director

ATTACHMENT(S):
1. Proposed Department of Commerce Grant Contract.

PREPARED BY: Scott Thomas, Parks and Recreation Director

EXPLANATION:
During the 2012 legislative session the City received an appropriation for renovating the Covington Aquatic Center. Approving this motion authorizes the City Manager to sign the grant contract, providing $400,000. The contract states that the project is for renovation and restoration of the aquatic center including reroofing, painting the exterior, retrofitting lighting, resurfacing the entry plaza, remodeling the rental room, renovating the landscaping and installing a flag pole. In signing this agreement the city is committing to operate the pool for ten years or repay a prorated amount of the grant. The timeline for the project is to complete design and bid specifications over the winter, bid the project in the spring of 2013, with construction completed by December 2013. The pool will remain open during construction.

ALTERNATIVES:
The Commerce grant is necessary funding for renovation of the Covington Aquatic Center. If the contract is not approved, the city cannot proceed with construction.

FISCAL IMPACT:
The grant amount is $400,000. The total project cost listed in the grant contract is $388,000 as the Commerce Department deducts administrative fees of $12,000. Additional city funds in the aquatics division budget, up to $40,000 over two calendar years, are available to pay for non-reimbursable project management costs.

CITY COUNCIL ACTION: _____Ordinance _____Resolution __X__Motion _____Other

Council member moves, Council member seconds, to authorize the City Manager to sign the grant contract for renovation of the Covington Aquatic Center.

REVIEWED BY: Parks and Recreation Director, Finance Director, City Attorney, City Manager
Grant to

City of Covington

through

The 2012 Local and Community Projects Program

For

Covington Aquatics Center Roof Replacement and Related Construction - Funds will be used for roof replacement and related construction costs to the Covington Aquatics Center

Start date: Upon Final Signature
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Attachment A, Scope of Work; Attachment B, Budget; Attachment C, Availability of Funds; Attachment D Certification of Prevailing Wages; Attachment E, Certification of LEED
FACE SHEET

Washington State Department of Commerce
Community Services & Housing Division
Community Capital Facilities Unit

1. Grantee
City of Covington
16720 SE 271st Street, Suite 100
Covington, Washington 98042

2. Grantee Doing Business As (optional)

3. Grantee Representative
Scott Thomas
Parks & Recreation Director
2534802481
(253) 480-2401
sthomas@covingtonwa.gov

4. COMMERCE Representative
Daniel Aarthen
Program Manager
P.O. Box 42525
360-725-3007
1011 Plum Street SE
360-586-5880
Olympia, WA 98504-2525
Dan.Aarthen@commerce.wa.gov

5. Grant Amount
$388,000.00

6. Funding Source
Federal: ☐ State: ☒ Other: ☐ N/A: ☐

7. Start Date
Upon Final Signature

8. End Date
6/30/2015

9. Federal Funds (as applicable)
N/A

10. Tax ID #
91-1829887

11. SWV #
0003097-00

12. UBI #
N/A

13. DUNS #
N/A

14. Grant Purpose
The outcome of this performance-based contract is the renovation and restoration of the Covington Aquatics Center as referenced in Attachment A – Scope of Work.

COMMERCE, defined as the Department of Commerce or its successor agency, and the Grantee, as defined above, acknowledge and accept the terms of this Grant and attachments and have executed this Grant on the date below to start as of the date and year referenced above. The rights and obligations of both parties to this Grant are governed by this Grant and the following other documents incorporated by reference: Grant Terms and Conditions including Attachment “A” – Scope of Work, Attachment “B” – Budget, Attachment “C” – Certification of Availability of Funds to Complete the Project, Attachment “D” – Certification of the Payment and Reporting of Prevailing Wages, Attachment “E” – Certification of Intent to Enter LEED process.

FOR GRANTEE

________________________________________
Derek Matheson, City Manager

________________________________________
Date

FOR COMMERCE

________________________________________
Dan McConnon, Deputy Director

________________________________________
Date

APPROVED AS TO FORM ONLY

________________________________________
Mark Calkins, A.A.E.

________________________________________
Date 11-06-2012
SPECIAL TERMS AND CONDITIONS
GENERAL GRANT
STATE FUNDS

THIS CONTRACT, entered into by and between the City of Covington (a unit of local government hereinafter referred to as the Grantee), and the Washington State Department of Commerce (hereinafter referred to as COMMERCE), WITNESSES THAT:

WHEREAS, COMMERCE has the statutory authority under RCW 43.330.050 (5) to cooperate with and provide assistance to local governments, businesses, and community-based organizations; and

WHEREAS, COMMERCE is also given the responsibility to administer state funds and programs which are assigned to COMMERCE by the Governor or the Washington State Legislature; and

WHEREAS, the Washington State Legislature has, in Laws of 2012, 2nd Special Session, Chapter 1, Section 302, made an appropriation to support the 2012 Local and Community Projects Program, and directed COMMERCE to administer those funds; and

WHEREAS, the enabling legislation also stipulates that the Grantee is eligible to receive funding for acquisition, construction, or rehabilitation (a venture hereinafter referred to as the “Project”).

NOW, THEREFORE, in consideration of covenants, conditions, performances and promises hereinafter contained, the parties hereto agree as follows:

1. GRANT MANAGEMENT

The Representative for each of the parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Grant.

The Representative for COMMERCE and their contact information are identified on the Face Sheet of this Grant.

The Representative for the Grantee and their contact information are identified on the Face Sheet of this Grant.

2. COMPENSATION

COMMERCE shall pay an amount not to exceed $388,000.00 for the capital costs necessary for or incidental to the performance of work as set forth in the Scope of Work.

3. CERTIFICATION OF FUNDS PERFORMANCE MEASURES

A. The release of state funds under this contract is contingent upon the Grantee certifying that it has expended or has access to funds from non-state sources as set forth in ATTACHMENT C (CERTIFICATION OF THE AVAILABILITY OF FUNDS TO COMPLETE THE PROJECT), hereof. Such non-state sources may consist of a combination of any of the following:

i) Eligible Project expenditures prior to the execution of this contract.

ii) Cash dedicated to the Project.

iii) Funds available through a letter of credit or other binding loan commitment(s).

iv) Pledges from foundations or corporations.

v) Pledges from individual donors.
SPECIAL TERMS AND CONDITIONS
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vi) The value of real property when acquired solely for the purposes of this Project, as established and evidenced by a current market value appraisal performed by a licensed, professional real estate appraiser, or a current property tax statement. COMMERCE will not consider appraisals for prospective values of such property for the purposes of calculating the amount of non-state matching fund credit.

vii) In-kind contributions, subject to COMMERCE’S approval.

B. The Grantee shall maintain records sufficient to evidence that it has access to or has expended funds from such non-state sources, and shall make such records available for COMMERCE’S review upon reasonable request.

4. PREVAILING WAGE LAW

The Project funded under this Grant may be subject to state prevailing wage law (Chapter 39.12 RCW). The Grantee is advised to consult the Industrial Statistician at the Washington Department of Labor and Industries to determine whether prevailing wages must be paid. COMMERCE is not responsible for determining whether prevailing wage applies to this Project or for any prevailing wage payments that may be required by law.

5. DOCUMENTATION AND SECURITY

The provisions of this section shall apply to capital projects performed by nonprofit organizations that involve the expenditure of $250,000 or more in state funds. Projects for which the grant award or legislative intent documents specify that the state funding is to be used for design only or projects that consist of renovations to facilities leased by the Grantee are exempt from this section.

A. Deed of Trust. This Grant shall be evidenced by a promissory note and secured by a deed of trust in favor of COMMERCE (the "Deed of Trust"). The Deed of Trust shall be recorded in the County where the Project is located, and the original returned to COMMERCE after recordation within ninety (90) days of contract execution. The Deed of Trust must be recorded before COMMERCE will reimburse the Grantee for any Project costs. The amount secured by the Deed of Trust shall be the amount of the grant as set forth in Section 2, hereof.

B. Term of Deed of Trust. The Deed of Trust shall remain in full force and effect for a period of ten (10) years following the final payment of state funds to the Grantee under this grant. Upon satisfaction of the ten-year term requirement and all other grant terms and conditions, COMMERCE shall, upon written request of the Grantee, take appropriate action to reconvey the Deed of Trust.

C. Title Insurance. The Grantee shall purchase an extended coverage lender’s policy of title insurance insuring the lien position of the Deed of Trust in an amount not less than the amount of the grant.

D. Subordination. COMMERCE may agree to subordinate its deed of trust upon request from a private or public lender. Any such request shall be submitted to COMMERCE in writing, and COMMERCE shall respond to the request in writing within thirty (30) days of receiving the request.

6. BASIS FOR ESTABLISHING REAL PROPERTY VALUES FOR ACQUISITIONS OF REAL PROPERTY PERFORMANCE MEASURES

When the grant is used to fund the acquisition of real property, the value of the real property eligible for reimbursement under this grant shall be established as follows:
SPECIAL TERMS AND CONDITIONS
GENERAL GRANT
STATE FUNDS

a. Grantee purchases of real property from an independent third-party seller shall be evidenced by a current appraisal prepared by a licensed Washington State commercial real estate appraiser, or a current property tax statement.

b. Grantee purchases of real property from a subsidiary organization, such as an affiliated LLC, shall be evidenced by a current appraisal prepared by a licensed Washington State commercial real estate appraiser or the prior purchase price of the property plus holding costs, whichever is less.

7. EXPENDITURES ELIGIBLE FOR REIMBURSEMENT

The Grantee may be reimbursed, at the rate set forth elsewhere in this contract, for Project expenditures in the following cost categories:

A. Real property, and costs directly associated with such purchase, when purchased or acquired solely for the purposes of the Project;

B. Design, engineering, architectural, and planning;

C. Construction management and observation (from external sources only);

D. Construction costs including, but not limited to, the following:
   Site preparation and improvements;
   Permits and fees;
   Labor and materials;
   Taxes on Project goods and services;
   Capitalized equipment;
   Information technology infrastructure; and
   Landscaping.

8. BILLING PROCEDURES AND PAYMENT

COMMERCE shall reimburse the Grantee for one-hundred percent (100%) of eligible Project expenditures, up to the maximum payable under this contract. When requesting reimbursement for expenditures made, the Grantee shall submit to COMMERCE a signed and completed Invoice Voucher (Form A-19), that documents capitalized Project activity performed – by budget line item – for the billing period.

The Grantee shall evidence the costs claimed on each voucher by including copies of each invoice received from vendors providing Project goods or services covered by the contract. The Grantee shall also provide COMMERCE with a copy of the cancelled check or electronic funds transfer, as applicable, that confirms that they have paid each expenditure being claimed. The cancelled checks or electronic funds transfers may be submitted to COMMERCE at the time the voucher is initially submitted, or within thirty (30) days thereafter.

The voucher must be certified (signed) by an official of the Grantee with authority to bind the Grantee. The final voucher shall be submitted to COMMERCE within sixty (60) days following the completion of work or other termination of this contract, or within fifteen (15) days following the end of the state biennium unless contract funds are reappropriated by the Legislature in accordance with Section 18, hereof.

Each request for payment must be accompanied by a Project Status Report, which describes, in narrative form, the progress made on the Project since the last invoice was submitted, as well as a report of Project status to date. COMMERCE will not release payment for any reimbursement request received unless and until the Project Status Report is received. After approving the Invoice Voucher and Project Status Report, COMMERCE shall promptly remit a warrant to the Grantee.
SPECIAL TERMS AND CONDITIONS
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STATE FUNDS

COMMERCER will pay Grantee upon acceptance of services provided and receipt of properly completed invoices, which shall be submitted to the Representative for COMMERCER not more often than monthly.

Payment shall be considered timely if made by COMMERCER within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be sent to the address designated by the Grantee.

COMMERCER may, in its sole discretion, terminate the Grant or withhold payments claimed by the Grantee for services rendered if the Grantee fails to satisfactorily comply with any term or condition of this Grant.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by COMMERCER.

Duplication of Billed Costs

The Grantee shall not bill COMMERCER for services performed under this Agreement, and COMMERCER shall not pay the Grantee, if the Grantee is entitled to payment or has been or will be paid by any other source, including grants, for that service.

Disallowed Costs

The Grantee is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subgrantees.

9. INSURANCE

The Grantee shall provide insurance coverage as set out in this section. The intent of the required insurance is to protect the state of Washington should there be any claims, suits, actions, costs, damages or expenses arising from any loss, or negligent or intentional act or omission of the Grantee, or Subgrantee, or agents of either, while performing under the terms of this Grant.

The insurance required shall be issued by an insurance company authorized to do business within the state of Washington. The insurance shall name the state of Washington, its agents, officers, and employees as additional insureds under the insurance policy. All policies shall be primary to any other valid and collectable insurance. The Grantee shall instruct the insurers to give COMMERCER thirty (30) calendar days advance notice of any insurance cancellation or modification.

The Grantee shall submit to COMMERCER within fifteen (15) calendar days of the Grant start date, a certificate of insurance which outlines the coverage and limits defined in this insurance section. During the term of the Grant, the Grantee shall submit renewal certificates not less than thirty (30) calendar days prior to expiration of each policy required under this section.

The Grantee shall provide insurance coverage that shall be maintained in full force and effect during the term of this Grant, as follows:

Commercial General Liability Insurance Policy. Provide a Commercial General Liability Insurance Policy, including contractual liability, written on an occurrence basis, in adequate quantity to protect against legal liability arising out of Grant activity but no less than $1,000,000 per occurrence. Additionally, the Grantee is responsible for ensuring that any Subgrantees provide adequate insurance coverage for the activities arising out of subgrants.

Fidelity Insurance. Every officer, director, employee, or agent who is authorized to act on behalf of the Grantee for the purpose of receiving or depositing funds into program accounts or issuing financial documents, checks, or other instruments of payment for program costs shall be insured to provide protection against loss:

A. The amount of fidelity coverage secured pursuant to this Grant shall be $2,000,000 or the highest of planned reimbursement for the Grant period, whichever is lower. Fidelity insurance secured pursuant to this paragraph shall name the Grantor as beneficiary.
SPECIAL TERMS AND CONDITIONS
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B. Subgrantees that receive $10,000 or more per year in funding through this Grant shall secure fidelity insurance as noted above. Fidelity insurance secured by Subgrantees pursuant to this paragraph shall name the Grantee and the Grantee’s fiscal agent as beneficiary.

C. The Grantee shall provide, at COMMERCE’s request, copies of insurance instruments or certifications from the insurance issuing agency. The copies or certifications shall show the insurance coverage, the designated beneficiary, who is covered, the amounts, the period of coverage, and that COMMERCE will be provided thirty (30) days advance written notice of cancellation.

Grantees and Local Governments that Participate in a Self-Insurance Program.

Self-Insured/Liability Pool or Self-Insured Risk Management Program – With prior approval from COMMERCE, the Grantee may provide the coverage above under a self-insured/liability pool or self-insured risk management program. In order to obtain permission from COMMERCE, the Grantee shall provide: (1) a description of its self-insurance program, and (2) a certificate and/or letter of coverage that outlines coverage limits and deductibles. All self-insured risk management programs or self-insured/liability pool financial reports must comply with Generally Accepted Accounting Principles (GAAP) and adhere to accounting standards promulgated by: 1) Governmental Accounting Standards Board (GASB), 2) Financial Accounting Standards Board (FASB), and 3) the Washington State Auditor’s annual instructions for financial reporting. Contractor’s participating in joint risk pools shall maintain sufficient documentation to support the aggregate claim liability information reported on the balance sheet. The state of Washington, its agents, and employees need not be named as additional insured under a self-insured property/liability pool, if the pool is prohibited from naming third parties as additional insured.

Grantee shall provide annually to COMMERCE a summary of coverages and a letter of self insurance, evidencing continued coverage under Grantee’s self-insured/liability pool or self-insured risk management program. Such annual summary of coverage and letter of self insurance will be provided on the anniversary of the start date of this Agreement.

10. ORDER OF PRECEDENCE

In the event of an inconsistency in this Grant, the inconsistency shall be resolved by giving precedence in the following order:

- Applicable federal and state of Washington statutes and regulations
- Special Terms and Conditions
- General Terms and Conditions
- Attachment A – Scope of Work
- Attachment B – Budget
- Attachment C – Certification of the Availability of Funds to Complete the Project
- Attachment D – Certification of the Payment and Reporting of Prevailing Wages
- Attachment E – Certification of Intent to Enter the Leadership in Energy and Environmental Design (LEED) Certification Process

11. REDUCTION IN FUNDS

In the event state funds appropriated for the work contemplated under this contract are withdrawn, reduced, or limited in any way by the Governor or the Washington State Legislature during the contract period, the parties hereto shall be bound by any such revised funding limitations as implemented at the discretion of COMMERCE, and shall meet and renegotiate the contract accordingly.
12. **OWNERSHIP OF PROJECT/CAPITAL FACILITIES**

COMMERCe makes no claim to any real property improved or constructed with funds awarded under this contract and does not assert and will not acquire any ownership interest in or title to the capital facilities and/or equipment constructed or purchased with state funds under this contract; provided, however, that Commerce may be granted a security interest in real property, to secure funds awarded under this contract. This provision does not extend to claims that COMMERCe may bring against the Grantee in recapturing funds expended in violation of this contract.

13. **CHANGE OF OWNERSHIP OR USE FOR GRANTEE-OWNED PROPERTY**

A. The Grantee understands and agrees that any and all real property or facilities owned by the Grantee that are acquired, constructed, or otherwise improved by the Grantee using state funds under this contract shall be held and used by the Grantee for the purpose or purposes stated elsewhere in this contract for a period of at least ten (10) years from the date the final payment is made hereunder.

B. This provision shall not be construed to prohibit the Grantee from selling any property or properties described in this section; Provided, that any such sale shall be subject to prior review and approval by COMMERCe, and that all proceeds from such sale shall be applied to the purchase price of a different facility or facilities of equal or greater value than the original facility and that any such new facility or facilities will be used for the purpose or purposes stated elsewhere in this contract.

C. In the event the Grantee is found to be out of compliance with this section, the Grantee shall repay to the state general fund the principal amount of the grant as stated in Section 1, hereof, plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the effective date of the legislation in which the subject facility was authorized. Repayment shall be made pursuant to Section 19 (Recapture provision).

14. **CHANGE OF USE FOR LEASED PROPERTY PERFORMANCE MEASURE**

A. The Grantee understands and agrees that any facility leased by the Grantee that is constructed, renovated, or otherwise improved using state funds under this contract shall be used by the Grantee for the purpose or purposes stated elsewhere in this contract for a period of at least ten (10) years from the date the final payment is made hereunder.

B. In the event the Grantee is found to be out of compliance with this section, the Grantee shall repay to the state general fund the principal amount of the grant as stated in Section 1, hereof, plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the effective date of the legislation in which the subject facility was authorized. Repayment shall be made pursuant to Section 19 (Recapture Provision).

15. **MODIFICATION TO THE PROJECT BUDGET**

A. Notwithstanding any other provision of this contract, the Grantee may, at its discretion, make modifications to line items in the Project Budget (Attachment B), hereof, that will not increase the line item by more than fifteen percent (15%).

B. The Grantee shall notify COMMERCe in writing (by email or regular mail) when proposing any budget modification or modifications to a line item in the Project Budget (Attachment B,) hereof, that would increase the line item by more than fifteen percent (15%). Conversely, COMMERCe may initiate the budget modification approval process if presented with a request for payment under this contract that would cause one or more budget line items to exceed the 15 percent (15%) threshold increase described above.
SPECIAL TERMS AND CONDITIONS
GENERAL GRANT
STATE FUNDS

C. Any such budget modification or modifications as described above shall require the written approval of COMMERCE (by email or regular mail), and such written approval shall amend the Project Budget. Each party to this contract will retain and make any and all documents related to such budget modifications a part of their respective contract file.

D. Nothing in this section shall be construed to permit an increase in the amount of funds available for the Project, as set forth in Section 2 of this contract.

16. SIGNAGE, MARKERS AND PUBLICATIONS

If, during the period covered by this contract, the Grantee displays or circulates any communication, publication, or donor recognition identifying the financial participants in the Project, any such communication or publication must identify “The Taxpayers of Washington State” as a participant.

17. HISTORICAL AND CULTURAL ARTIFACTS

In the event that historical or cultural artifacts are discovered at the Project site during construction, the Grantee shall immediately stop construction and notify the local historical preservation officer and the state historical preservation officer at the Washington State Department of Archaeology and Historic Preservation.

18. REAPPROPRIATION

A. The parties hereto understand and agree that any state funds not expended by June 30, 2013, will lapse on that date unless specifically reappropriated by the Washington State Legislature. If funds are so reappropriated, the state’s obligation under the terms of this contract shall be contingent upon the terms of such reappropriation.

B. In the event any funds awarded under this contract are reappropriated for use in a future biennium, COMMERCE reserves the right to assign a reasonable share of any such reappropriation for administrative costs.

19. RECAPTURE

In the event that the Grantee fails to perform this Grant in accordance with state laws, federal laws, and/or the provisions of this Grant, COMMERCE reserves the right to recapture all funds disbursed under the Grant, in addition to any other remedies available at law or in equity. This provision supersedes the Recapture provision in Section 27 of the General Terms and Conditions.

20. TERMINATION FOR FRAUD OR MISREPRESENTATION

In the event the Grantee commits fraud or makes any misrepresentation in connection with the Grant application or during the performance of this contract, COMMERCE reserves the right to terminate or amend this contract accordingly, including the right to recapture all funds disbursed to the Grantee under the Grant.
1. **DEFINITIONS**

As used throughout this Grant, the following terms shall have the meaning set forth below:

A. “Authorized Representative” shall mean the Director and/or the designee authorized in writing to act on the Director’s behalf.

B. “COMMERCE” shall mean the Department of Commerce or its successor agency.

C. “Grantee” shall mean the entity identified on the face sheet performing service(s) under this Grant, and shall include all employees and agents of the Grantee.

D. “Personal Information” shall mean information identifiable to any person, including, but not limited to, information that relates to a person’s name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers.

E. “State” shall mean the state of Washington.

F. “Subgrantee” shall mean one not an employee of the Grantee, who is performing all or part of those services under this Grant under a separate Grant with the Grantee. The terms "subgrantee" and "subgrantees" means subgrantee(s) in any tier.

2. **ALLOWABLE COSTS**

Costs allowable under this Contract are actual expenditures according to an approved budget up to the maximum amount stated on the Contract Award or Amendment Face Sheet.

3. **ALL WRITINGS CONTAINED HEREIN**

This Grant contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Grant shall be deemed to exist or to bind any of the parties hereto.

4. **AMENDMENTS**

This Grant may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

5. **AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, also referred to as the “ADA’ 28 CFR Part 35**

The Grantee must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

6. **APPROVAL**

This Grant shall be subject to the written approval of COMMERCE’s Authorized Representative and shall not be binding until so approved. The Grant may be altered, amended, or waived only by a written amendment executed by both parties.

7. **ASSIGNMENT**

Neither this Grant, nor any claim arising under this Grant, shall be transferred or assigned by the Grantee without prior written consent of COMMERCE.
8. ATTORNEYS' FEES

Unless expressly permitted under another provision of the Grant, in the event of litigation or other action brought to enforce Grant terms, each party agrees to bear its own attorneys' fees and costs.

9. AUDIT

A. General Requirements

Grantees are to procure audit services based on the following guidelines.

The Grantee shall maintain its records and accounts so as to facilitate the audit requirement and shall ensure that Subgrantees also maintain auditable records.

The Grantee is responsible for any audit exceptions incurred by its own organization or that of its Subgrantees.

COMMERCE reserves the right to recover from the Grantee all disallowed costs resulting from the audit.

As applicable, Grantees required to have an audit must ensure the audits are performed in accordance with Generally Accepted Auditing Standards (GAAS); Government Auditing Standards (the Revised Yellow Book) developed by the Comptroller General.

Responses to any unresolved management findings and disallowed or questioned costs shall be included with the audit report. The Grantee must respond to COMMERCE requests for information or corrective action concerning audit issues within thirty (30) days of the date of request.

B. State Funds Requirements

Grantees expending $100,000 or more in total state funds in a fiscal year must have a financial audit as defined by Government Auditing Standards (The Revised Yellow Book) and according to Generally Accepted Auditing Standards (GAAS). The Schedule of State Financial Assistance must be included. The schedule includes:

- Grantor agency name
- State program name
- BARS account number
- Grantor
- Agency contract number
- Contract award amount including amendments (total grant award)
- Current year expenditures

If the Grantee is a state or local government entity, the Office of the State Auditor shall conduct the audit. Audits of non-profit organizations are to be conducted by a certified public accountant selected by the Grantee.

The Grantee shall include the above audit requirements in any subgrants.

In any case, the Grantee's financial records must be available for review by COMMERCE.
C. **Documentation Requirements**

The Contractor must send a copy of the audit report described above no later than nine (9) months after the end of the Contractor’s fiscal year(s) by sending a scanned copy to auditreview@commerce.wa.gov or by sending a hard copy to:

Department of Commerce  
ATTN: Audit Review and Resolution Office  
1011 Plum Street SE  
PO Box 42525  
Olympia WA 98504-2525

In addition to sending a copy of the audit, when applicable, the Contractor must include:

- Corrective action plan for audit findings within three (3) months of the audit being received by COMMERCE.
- Copy of the Management Letter.

If the Contractor is required to obtain a Single Audit because of Circular A-133 requirements, no other audit report is required.

10. **CODE REQUIREMENTS**

All construction and rehabilitation projects must satisfy the requirements of applicable local, state, and federal building, mechanical, plumbing, fire, energy and barrier-free codes. Compliance with the Americans with Disabilities Act of 1990 28 C.F.R. Part 35 will be required, as specified by the local building Department.

11. **CONFIDENTIALITY/SAFEGUARDING OF INFORMATION**

A. "Confidential Information" as used in this section includes:

1. All material provided to the Grantee by COMMERCE that is designated as "confidential" by COMMERCE;

2. All material produced by the Grantee that is designated as "confidential" by COMMERCE; and

3. All personal information in the possession of the Grantee that may not be disclosed under state or federal law. "Personal information" includes but is not limited to information related to a person’s name, health, finances, education, business, use of government services, addresses, telephone numbers, social security number, driver’s license number and other identifying numbers, and "Protected Health Information" under the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA).

B. The Contractor shall comply with all state and federal laws related to the use, sharing, transfer, sale, or disclosure of Confidential Information. The Contractor shall use Confidential Information solely for the purposes of this Contract and shall not use, share, transfer, sell or disclose any Confidential Information to any third party except with the prior written consent of COMMERCE or as may be required by law. The Contractor shall take all necessary steps to assure that Confidential Information is safeguarded to prevent unauthorized use, sharing, transfer, sale or disclosure of Confidential Information or violation of any state or federal laws related thereto. Upon request, the Contractor shall provide COMMERCE with its policies and procedures on confidentiality. COMMERCE may require changes to such policies and procedures as they apply to this Contract whenever COMMERCE reasonably determines that changes are necessary to prevent unauthorized disclosures. The Contractor shall make the changes within the time period specified by COMMERCE. Upon request, the Contractor shall immediately return to COMMERCE any Confidential Information that COMMERCE reasonably determines has not been adequately protected by the Contractor against unauthorized disclosure.
GENERAL TERMS AND CONDITIONS
GENERAL GRANT
STATE FUNDS

C. Unauthorized Use or Disclosure. The Grantee shall notify COMMERCE within five (5) working
days of any unauthorized use or disclosure of any confidential information, and shall take
necessary steps to mitigate the harmful effects of such use or disclosure.

12. CONFORMANCE

If any provision of this contract violates any statute or rule of law of the state of Washington, it is
considered modified to conform to that statute or rule of law.

13. COPYRIGHT PROVISIONS

Unless otherwise provided, all Materials produced under this Grant shall be considered "works for
hire" as defined by the U.S. Copyright Act and shall be owned by the Grantor. COMMERCE shall be
considered the author of such Materials. In the event the Materials are not considered "works for
hire" under the U.S. Copyright laws, the Grantee hereby irrevocably assigns all right, title, and interest
in all Materials, including all intellectual property rights, moral rights, and rights of publicity to
COMMERCE effective from the moment of creation of such Materials.

"Materials" means all items in any format and includes, but is not limited to, data, reports, documents,
pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes,
and/or sound reproductions. "Ownership" includes the right to copyright, patent, register and the
ability to transfer these rights.

For Materials that are delivered under the Grant, but that incorporate pre-existing materials not
produced under the Grant, the Grantee hereby grants to COMMERCE a nonexclusive, royalty-free,
irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce,
distribute, prepare derivative works, publicly perform, and publicly display. The Grantee warrants and
represents that the Grantee has all rights and permissions, including intellectual property rights, moral
rights and rights of publicity, necessary to grant such a license to COMMERCE.

The Grantee shall exert all reasonable effort to advise COMMERCE, at the time of delivery of
Materials furnished under this Grant, of all known or potential invasions of privacy contained therein
and of any portion of such document which was not produced in the performance of this Grant. The
Grantee shall provide COMMERCE with prompt written notice of each notice or claim of infringement
received by the Grantee with respect to any Materials delivered under this Grant. COMMERCE shall
have the right to modify or remove any restrictive markings placed upon the Materials by the Grantee.

14. DISALLOWED COSTS

The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own
organization or that of its Subcontractors.

15. DISPUTES

Except as otherwise provided in this Grant, when a dispute arises between the parties and it cannot
be resolved by direct negotiation, either party may request a dispute hearing with COMMERCE’s
Director, who may designate a neutral person to decide the dispute.

The request for a dispute hearing must:

- be in writing;
- state the disputed issues;
- state the relative positions of the parties;
- state the Grantee’s name, address, and Grant number; and
- be mailed to the Director and the other party’s (respondent’s) Grant Representative within
  three (3) working days after the parties agree that they cannot resolve the dispute.

The respondent shall send a written answer to the requestor’s statement to both the Director or the
Director’s designee and the requestor within five (5) working days.
GENERAL TERMS AND CONDITIONS
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STATE FUNDS

The Director or designee shall review the written statements and reply in writing to both parties within ten (10) working days. The Director or designee may extend this period if necessary by notifying the parties.

The decision shall not be admissible in any succeeding judicial or quasi-judicial proceeding.

The parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.

Nothing in this Grant shall be construed to limit the parties' choice of a mutually acceptable alternate dispute resolution (ADR) method in addition to the dispute hearing procedure outlined above.

16. DUPLICATE PAYMENT

The Grantee certifies that work to be performed under this Grant does not duplicate any work to be charged against any other Grant, subgrant, or other source.

17. ETHICS/CONFLICTS OF INTEREST

In performing under this Grant, the Grantee shall assure compliance with the Ethics in Public Service Act (Chapter 42.52 RCW) and any other applicable state or federal law related to ethics or conflicts of interest.

18. GOVERNING LAW AND VENUE

This Grant shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

19. INDEMNIFICATION

To the fullest extent permitted by law, the Grantee shall indemnify, defend, and hold harmless the state of Washington, COMMERCE, all other agencies of the state and all officers, agents and employees of the state, from and against all claims or damages for injuries to persons or property or death arising out of or incident to the Grantee's performance or failure to perform the Grant. The Grantee's obligation to indemnify, defend, and hold harmless includes any claim by the Grantee's agents, employees, representatives, or any Subgrantee or its agents, employees, or representatives.

The Grantee's obligation to indemnify, defend, and hold harmless shall not be eliminated by any actual or alleged concurrent negligence of the state or its agents, agencies, employees and officers.

Subgrants shall include a comprehensive indemnification clause holding harmless the Grantee, COMMERCE, the state of Washington, its officers, employees and authorized agents.

The Grantee waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless the state and its agencies, officers, agents or employees.

20. INDEPENDENT CAPACITY OF THE GRANTEE

The parties intend that an independent contractor relationship will be created by this Grant. The Grantee and its employees or agents performing under this Grant are not employees or agents of the state of Washington or COMMERCE. The Grantee will not hold itself out as or claim to be an officer or employee of COMMERCE or of the state of Washington by reason hereof, nor will the Grantee make any claim of right, privilege or benefit which would accrue to such officer or employee under law. Conduct and control of the work will be solely with the Grantee.

21. INDUSTRIAL INSURANCE COVERAGE

The Grantee shall comply with all applicable provisions of Title 51 RCW, Industrial Insurance. If the Grantee fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as may be required by law, COMMERCE may collect from the Grantee the full amount payable to the Industrial Insurance Accident Fund. COMMERCE may deduct the amount
owed by the Grantee to the accident fund from the amount payable to the Grantee by COMMERCE under this Grant, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I’s rights to collect from the Grantee.

22. LAWS

The Grantee shall comply with all applicable laws, ordinances, codes, regulations and policies of local and state and federal governments, as now or hereafter amended including, but not limited to:

Washington State Laws and Regulations
A. Affirmative action, RCW 41.06.020 (1).
B. Boards of directors or officers of non-profit corporations – Liability - Limitations, RCW 4.24.264.
C. Disclosure-campaign finances-lobbying, Chapter 42.17 RCW.
D. Discrimination-human rights commission, Chapter 49.60 RCW.
E. Ethics in public service, Chapter 42.52 RCW.
F. Housing assistance program, Chapter 43.185 RCW
G. Interlocal cooperation act, Chapter 39.34 RCW.
H. Noise control, Chapter 70.107 RCW.
I. Office of minority and women’s business enterprises, Chapter 39.19 RCW and Chapter 326-02 WAC.
J. Open public meetings act, Chapter 42.30 RCW.
K. Prevailing wages on public works, Chapter 39.12 RCW.
L. Public records act, Chapter 42.56 RCW.
M. Relocation assistance - real property acquisition policy, Chapter 8.26 RCW.
N. Shoreline management act of 1971, Chapter 90.58 RCW.
O. State budgeting, accounting, and reporting system, Chapter 43.88 RCW.
P. State building code, Chapter 19.27 RCW and Energy-related building standards, Chapter 19.27A RCW, and Provisions in buildings for aged and handicapped persons, Chapter 70.92 RCW.
R. State environmental policy, Chapter 43.21C RCW.
S. State Executive Order 05-05 Archeological and Cultural Resources.

23. LICENSING, ACCREDITATION AND REGISTRATION

The Grantee shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary for the performance of this Grant.

24. LIMITATION OF AUTHORITY

Only the Authorized Representative or Authorized Representative’s designee by writing (designation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Grant.
25. **LOCAL PUBLIC TRANSPORTATION COORDINATION**

Where applicable, Contractor shall participate in local public transportation forums and implement strategies designed to ensure access to services.

26. **NONCOMPLIANCE WITH NONDISCRIMINATION LAWS**

During the performance of this Grant, the Grantee shall comply with all federal, state, and local nondiscrimination laws, regulations and policies. In the event of the Grantee's non-compliance or refusal to comply with any nondiscrimination law, regulation or policy, this Grant may be rescinded, canceled or terminated in whole or in part, and the Grantee may be declared ineligible for further Grants with the COMMERCE. The Grantee shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth herein.

27. **POLITICAL ACTIVITIES**

Political activity of Grantee employees and officers are limited by the State Campaign Finances and Lobbying provisions of Chapter 42.17 RCW and the Federal Hatch Act, 5 USC 1501 - 1508.

No funds may be used under this Grant for working for or against ballot measures or for or against the candidacy of any person for public office.

28. **PREVAILING WAGE LAW**

The Contractor certifies that all contractors and subcontractors performing work on the Project shall comply with state Prevailing Wages on Public Works, Chapter 39.12 RCW, as applicable to the Project funded by this contract, including but not limited to the filing of the "Statement of Intent to Pay Prevailing Wages" and "Affidavit of Wages Paid" as required by RCW 39.12.040. The Contractor shall maintain records sufficient to evidence compliance with Chapter 39.12 RCW, and shall make such records available for COMMERCE's review upon request.

29. **PROHIBITION AGAINST PAYMENT OF BONUS OR COMMISSION**

The funds provided under this Grant shall not be used in payment of any bonus or commission for the purpose of obtaining approval of the application for such funds or any other approval or concurrence under this Grant provided, however, that reasonable fees or bona fide technical consultant, managerial, or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as project costs.

30. **PUBLICITY**

The Grantee agrees not to publish or use any advertising or publicity materials in which the state of Washington or COMMERCE's name is mentioned, or language used from which the connection with the state of Washington's or COMMERCE's name may reasonably be inferred or implied, without the prior written consent of COMMERCE.

31. **RECAPTURE**

In the event that the Grantee fails to perform this Grant in accordance with state laws, federal laws, and/or the provisions of this Grant, COMMERCE reserves the right to recapture funds in an amount to compensate COMMERCE for the noncompliance in addition to any other remedies available at law or in equity.

Repayment by the Grantee of funds under this recapture provision shall occur within the time period specified by COMMERCE. In the alternative, COMMERCE may recapture such funds from payments due under this Grant.
GENERAL TERMS AND CONDITIONS
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32. RECORDS MAINTENANCE
The Grantee shall maintain all books, records, documents, data and other evidence relating to this Grant and performance of the services described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Grant. Grantee shall retain such records for a period of six years following the date of final payment.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been finally resolved.

33. REGISTRATION WITH DEPARTMENT OF REVENUE
If required by law, the Grantee shall complete registration with the Washington State Department of Revenue.

34. RIGHT OF INSPECTION
At no additional cost all records relating to the Grantee's performance under this Grant shall be subject at all reasonable times to inspection, review, and audit by COMMERCE, the Office of the State Auditor, and federal and state officials so authorized by law, in order to monitor and evaluate performance, compliance, and quality assurance under this Grant. The Grantee shall provide access to its facilities for this purpose.

35. SAVINGS
In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Grant and prior to normal completion, COMMERCE may terminate the Grant under the "Termination for Convenience" clause, without the ten business day notice requirement. In lieu of termination, the Grant may be amended to reflect the new funding limitations and conditions.

36. SEVERABILITY
If any provision of this Grant or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Grant that can be given effect without the invalid provision, if such remainder conforms to the requirements of law and the fundamental purpose of this Grant and to this end the provisions of this Grant are declared to be severable.

37. SUBGRANTING
The Grantee may only subgrant work contemplated under this Grant if it obtains the prior written approval of COMMERCE.

If COMMERCE approves subgranting, the Grantee shall maintain written procedures related to subgranting, as well as copies of all subgrants and records related to subgrants. For cause, COMMERCE in writing may: (a) require the Grantee to amend its subgranting procedures as they relate to this Grant; (b) prohibit the Grantee from subgranting with a particular person or entity; or (c) require the Grantee to rescind or amend a subgrant.

Every subgrant shall bind the Subgrantee to follow all applicable terms of this Grant. The Grantee is responsible to COMMERCE if the Subgrantee fails to comply with any applicable term or condition of this Grant. The Grantee shall appropriately monitor the activities of the Subgrantee to assure fiscal conditions of this Grant. In no event shall the existence of a subgrant operate to release or reduce the liability of the Grantee to COMMERCE for any breach in the performance of the Grantee's duties.
GENERAL TERMS AND CONDITIONS
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Every subgrant shall include a term that COMMERCE and the State of Washington are not liable for claims or damages arising from a Subgrantee’s performance of the subgrant.

38. SURVIVAL

The terms, conditions, and warranties contained in this Grant that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Grant shall so survive.

39. TAXES

All payments accrued on account of payroll taxes, unemployment contributions, the Grantee’s income or gross receipts, any other taxes, insurance or expenses for the Grantee or its staff shall be the sole responsibility of the Grantee.

40. TERMINATION FOR CAUSE / SUSPENSION

In event COMMERCE determines that the Grantee failed to comply with any term or condition of this Grant, COMMERCE may terminate the Grant in whole or in part upon written notice to the Grantee. Such termination shall be deemed “for cause.” Termination shall take effect on the date specified in the notice.

In the alternative, COMMERCE upon written notice may allow the Grantee a specific period of time in which to correct the non-compliance. During the corrective-action time period, COMMERCE may suspend further payment to the Grantee in whole or in part, or may restrict the Grantee’s right to perform duties under this Grant. Failure by the Grantee to take timely corrective action shall allow COMMERCE to terminate the Grant upon written notice to the Grantee.

“Termination for Cause” shall be deemed a “Termination for Convenience” when COMMERCE determines that the Grantee did not fail to comply with the terms of the Grant or when COMMERCE determines the failure was not caused by the Grantee’s actions or negligence.

If the Grant is terminated for cause, the Grantee shall be liable for damages as authorized by law, including, but not limited to, any cost difference between the original Grant and the replacement Grant, as well as all costs associated with entering into the replacement Grant (i.e., competitive bidding, mailing, advertising, and staff time).

41. TERMINATION FOR CONVENIENCE

Except as otherwise provided in this Grant COMMERCE may, by ten (10) business days written notice, beginning on the second day after the mailing, terminate this Grant, in whole or in part. If this Grant is so terminated, COMMERCE shall be liable only for payment required under the terms of this Grant for services rendered or goods delivered prior to the effective date of termination.

42. TERMINATION PROCEDURES

After receipt of a notice of termination, except as otherwise directed by COMMERCE, the Grantee shall:

A. Stop work under the Grant on the date, and to the extent specified, in the notice;
B. Place no further orders or subgrants for materials, services, or facilities related to the Grant;
C. Assign to COMMERCE all of the rights, title, and interest of the Grantee under the orders and subgrants so terminated, in which case COMMERCE has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subgrants. Any attempt by the Grantee to settle such claims must have the prior written approval of COMMERCE; and
D. Preserve and transfer any materials, Grant deliverables and/or COMMERCE property in the Grantee’s possession as directed by COMMERCE.
Upon termination of the Grant, COMMERCE shall pay the Grantee for any service provided by the Grantee under the Grant prior to the date of termination. COMMERCE may withhold any amount due as COMMERCE reasonably determines is necessary to protect COMMERCE against potential loss or liability resulting from the termination. COMMERCE shall pay any withheld amount to the Grantee if COMMERCE later determines that loss or liability will not occur.

The rights and remedies of COMMERCE under this section are in addition to any other rights and remedies provided under this Grant or otherwise provided under law.

43. **WAIVER**

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Grant unless stated to be such in writing and signed by Authorized Representative of COMMERCE.
Scope of Work

These funds will be used for capital expenditures related to renovation and restoration of the Covington Aquatic Center located at 18230 SE 240th Street in Covington. This includes but is not limited to, reroofing, painting the exterior, retrofitting lighting and resurfacing the entry plaza, remodeling the rental room, renovating the landscaping and installing a flag pole.

The facility will be used for life safety services including but not limited to, learn to swim programs, training lifeguards and health and fitness programs.

The project started in Fall 2012 and is estimated to be completed by December 2013.

CERTIFICATION PERFORMANCE MEASURE

The Grantee, by its signature, certifies that the declaration set forth above has been reviewed and approved by the Grantee’s governing body as of the date and year written below.

______________________________
GRANTEE

______________________________
TITLE

______________________________
DATE
## Budget

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<td><strong>Total Contracted Amount:</strong></td>
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**CERTIFICATION PERFORMANCE MEASURE**

The Grantee, by its signature, certifies that the Project Budget set forth above has been reviewed and approved by the Grantee's governing body or board of directors, as applicable, as of the date and year written below.

__________
GRANTEE  

__________  
TITLE  

__________  
DATE
Certification of the Availability of Funds to Complete the Project

<table>
<thead>
<tr>
<th>Non-State Funds</th>
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<td><strong>State Funds</strong></td>
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<td>State Capital Budget</td>
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</tr>
<tr>
<td><strong>Total Non-State and State Sources</strong></td>
<td></td>
<td>$388,000.00</td>
</tr>
</tbody>
</table>

CERTIFICATION PERFORMANCE MEASURE

The Grantee, by its signature, certifies that project funding from sources other than those provided by this contract and identified above has been reviewed and approved by the Grantee’s governing body or board of directors, as applicable, and has either been expended for eligible Project expenses, or is committed in writing and available and will remain committed and available solely and specifically for carrying out the purposes of this Project as described in elsewhere in this contract, as of the date and year written below. The Grantee shall maintain records sufficient to evidence that it has expended or has access to the funds needed to complete the Project, and shall make such records available for COMMERCE’S review upon reasonable request.

GRANTEE

TITLE

DATE
Certification of the Payment and Reporting of Prevailing Wages

CERTIFICATION PERFORMANCE MEASURE

The Grantee, by its signature, certifies that all contractors and subcontractors performing work on the Project shall comply with prevailing wage laws set forth in Chapter 39.12 RCW, as of April 23, 2012 including but not limited to the filing of the "Statement of Intent to Pay Prevailing Wages" and "Affidavit of Wages Paid" as required by RCW 39.12.040. The Grantee shall maintain records sufficient to evidence compliance with Chapter 39.12 RCW, and shall make such records available for COMMERCE'S review upon request.

If any state funds are used by the Grantee for the purpose of construction, applicable State Prevailing Wages must be paid.

The Grantee, by its signature, certifies that the declaration set forth above has been reviewed and approved by the Grantee's governing body as of the date and year written below.

GRANTEE

TITLE

DATE
Certification of Intent to Enter the
Leadership in Energy and Environmental Design (LEED) Certification Process

CERTIFICATION PERFORMANCE MEASURE

The Grantee, by its signature, certifies that it will enter into the Leadership in Energy and Environmental Design certification process, as stipulated in RCW 39.35D, as applicable to the Project funded by this contract. The Grantee shall, upon receipt of LEED certification by the United States Green Building Council, provide documentation of such certification to COMMERCE.

The Grantee, by its signature, certifies that the declaration set forth above has been reviewed and approved by the Grantee’s governing body or board of directors, as applicable, as of the date and year written below.

GRANTEE

TITLE

DATE

NOT APPLICABLE

Project renewal "Not Practicable"

Exemption.
SUBJECT: AUTHORIZE CITY MANAGER TO SIGN A GRANT FUNDING AGREEMENT FOR CONSTRUCTION OF AN INTERPRETIVE TRAIL AND NATIVE PLANT RESTORATION AT COVINGTON COMMUNITY PARK.

RECOMMENDED BY: Scott Thomas, Parks and Recreation Director

ATTACHMENT(S):
1. Proposed King Conservation District Grant Agreement.

PREPARED BY: Scott Thomas, Parks and Recreation Director

EXPLANATION:
In May 2010 the City Council authorized staff to apply for grants to fund construction of phase one of Covington Community Park. The application to the King Conservation District (KCD) in the Member Jurisdiction category has been approved by the KCD Board of Supervisors. Approving this motion authorizes the City Manager to sign the grant agreement, thus providing $100,569 toward the construction cost of Covington Community Park.

In signing this agreement the city is committing to develop a woodland interpretive trail, conduct native plant restoration, and provide financial and progress reports.

ALTERNATIVES:
The KCD grant is a necessary component of construction funding for Covington Community Park. If the grant agreement is not approved the city cannot meet all of the matching requirements agreed to as part of the WWRP grant approved in September 2011.

FISCAL IMPACT:
Revenue from the grant is $100,569. The total project cost listed in the agreement is $208,632. Funds from the WWRP grant will also be utilized on this project.

CITY COUNCIL ACTION: ___ Ordinance ___ Resolution ___X Motion ___ Other

Council member ____________ moves, Council member _________________ seconds, to authorize the City Manager to execute the KCD Grant Agreement for construction of a woodland interpretive trail and native plant restoration at Covington Community Park.

REVIEWED BY: Parks and Recreation Director, Finance Director, City Attorney, City Manager
ATTACHMENT 1

AGREEMENT FOR AWARD
OF KING CONSERVATION DISTRICT MEMBER JURISDICTION GRANT

City of Covington

This Agreement is made between the King Conservation District Number 9, a municipal corporation in King County, Washington, located at 1107 SW Grady Way, Suite 130, Renton, WA 98057 (referred to herein as "District"), and City of Covington, a municipal corporation in King County, Washington, located at 16720 SE 271st Street, Suite 100, Covington, WA 98042 (referred to herein as "Recipient"), for the purposes set forth herein.

SECTION 1. RECITALS

1.1 Whereas, the District is a special purpose district organized and existing under authority of Chapter 89.08 RCW which engages in certain activities and programs to conserve natural resources, including soil and water, which activities are declared to be of special benefit to lands; and

1.2 Whereas, pursuant to RCW 89.08.400, King County has authorized and imposed a system of assessments to finance the activities and programs of the District; and

1.3 Whereas, pursuant to RCW 89.08.220, RCW 89.08.341 and/or Chapter 39.34 RCW, the District is authorized to enter into agreements with municipal entities and agencies (governmental or otherwise), or their designees, in order to carry out and facilitate the activities and programs of the District to conserve natural resources; and

1.4 Whereas, the District has reviewed the grant application submitted by Recipient and has determined that the application meets the requirements of Chapter 89.08 RCW and the District's policies and procedures for awarding grants; and

1.5 Whereas, the District and Recipient desire to enter into this Agreement for the purpose of establishing the terms and conditions relating to the District's award of a grant to Recipient.

SECTION 2. AGREEMENT

2.1 The District agrees to award Recipient a grant in the total amount of One Hundred Thousand Five Hundred and Sixty Nine Dollars ($100,569.00) from 1999-2012 Assessments. Grant funds shall be used by Recipient solely for the performance of the work described in Exhibit A which is attached hereto and incorporated herein by this reference. The District shall pay the grant funds to Recipient in accordance with the District’s policies and procedures, including but not limited to, the policies and procedures contained in the Member Jurisdiction & WRIA Forum Grant Application Instructions and Policies, provided that such funds have been collected and received by the District.
2.2 Recipient represents and warrants that it will only use the grant funds for the work described in Exhibit A, which may be amended by the parties pursuant to Paragraph 3.3 of the Agreement. Recipient shall be required to refund to the District that portion of any grant funds which are used for unauthorized work. Further, Recipient agrees to return to the District any grant funds that are not expended or remain after completion of the work covered by this Agreement.

2.3 Recipient acknowledges and agrees that the grant funds may only be expended on work which shall be entirely within the District's jurisdictional boundaries. The following municipal entities are not within the District's jurisdictional boundaries: Enumclaw, Federal Way, Milton, Pacific, and Skykomish. Recipient shall be required to refund to the District that portion of any grant funds which are used for work performed outside the District's jurisdictional boundaries.

2.4 In the event the scope of work authorized by this Agreement includes the use of grant funds to purchase houses located on real property within a flood hazard area, Recipient acknowledges and agrees that grant funds may only be used for such purposes if the houses to be purchased were constructed before floodplain mapping or sensitive areas regulations were in place for that area. Recipient shall be required to refund to the District that portion of any grant funds which are used for unauthorized purposes.

2.5 Recipient shall be required to provide the District with biannual financial and project progress reports, along with an annual summary report. Financial and project reports shall be due June 30 and November 30 each year. The Recipient shall also be required to submit to the District a final report which documents the Recipient's completion of the work in conformance with this Agreement within thirty (30) days after the completion of the work. The final report shall, among other things, summarize the project's successes and shall address the regional benefits accomplished by the work. The final report shall also identify any obstacles or challenges which were encountered during the work, along with general recommendations regarding ways to avoid such obstacles or challenges in the future. If requested, Recipient agrees to provide the District with additional financial or progress reports from time to time, at reasonable intervals.

2.6 Recipient's expenditures of grant funds shall be separately identified in the Recipient's accounting records. If requested, Recipient shall comply with other reasonable requests made by the District with respect to the manner in which project expenditures are tracked and accounted for in Recipient's accounting books and records. Recipient shall maintain such records of expenditures as may be necessary to conform to generally accepted accounting principals and to meet the requirements of all applicable state and federal laws.

2.7 Recipient shall be required to track project expenses using the Budget Accounting and Reporting System for the State of Washington ("BARS").
2.8 The District or its representative shall have the right from time to time, at reasonable intervals, to audit the Recipient’s books and records in order to verify compliance with the terms of this Agreement. Recipient shall cooperate with the District in any such audit.

2.9 Recipient shall retain all accounting records and project files relating to this Agreement in accordance with criteria established in the Revised Code of Washington and the Washington State Archivist.

2.10 Recipient shall ensure that all work performed by Recipient or its employees, agents, contractors or subcontractors is performed in a manner which protects and safeguards the environment and natural resources and which is in compliance with local, state and federal laws and regulations. Recipient shall implement an appropriate monitoring system or program to ensure compliance with this provision.

2.11 Recipient agrees to indemnify, defend and hold harmless the District, its elected or appointed officials, employees and agents, from all claims, alleged liability, damages, losses to or death of person or damage to property allegedly resulting from the negligent or intentional acts of the Recipient or any of its employees, agents, contractors or subcontractors in connection with this Agreement.

2.12 Recipient agrees to acknowledge the District as a source of funding for this project on all literature, signage or press releases related to said project.

SECTION 3. GENERAL PROVISIONS

3.1 This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

3.2 This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. No prior or contemporaneous representation, inducement, promise or agreement between or among the parties which relate to the subject matter hereof which are not embodied in this Agreement shall be of any force or effect.

3.3 No amendment to this Agreement shall be binding on any of the parties to this Agreement unless such amendment is in writing and is executed by the parties. The parties contemplate that this Agreement may from time to time be modified by written amendment which shall be executed by duly authorized representatives of the parties and attached to this Agreement.
3.4 Each party warrants and represents that such party has full and complete authority to enter into this Agreement and each person executing this Agreement on behalf of a party warrants and represents that he/she has been fully authorized to execute this Agreement on behalf of such party and that such party is bound by the signature of such representative.

DISTRIBUTION:

By ____________________________
Name __________________________
Title ___________________________
Date ___________________________
Approved as to Form: ___________________________

DISTRICT LEGAL COUNSEL:

By ____________________________
Name __________________________
Date ___________________________

RECIPIENT:

By ____________________________
Name __________________________
Title ___________________________
Date ___________________________
Approved as to Form: ___________________________

RECIPIENT'S ATTORNEY:

By ____________________________
Name __________________________
Date ___________________________
Exhibit A
1. Project Description – provide a brief description of the project that summarizes what you will do, how you will do it, and why you will do it. Consider the following in the answer to this question: what pressing need will be addressed by the project or what promising opportunity will be capitalized on? Who or what will benefit or be positively and negatively affected?

Our project is to develop a woodland interpretive trail and conduct a native plant restoration as part of developing a new community park.

What we will do: For the woodland interpretive trail we will clear and grade an ADA accessible trail system in approximately 15 acres of wooded area and install interpretive signs along the trail. For the native plant restoration we will remove invasive species and plant and maintain native plants in the woodland area.

How we will do it: The interpretive trail was designed by MacLeod Reckord Landscape Architects as an integral component of Covington’s first community park.

Construction of the new trail will be completed by Goodfellow Brothers, Inc. general contractors, who won the park construction contract. Goodfellow Brothers will perform the clearing, grading and surfacing of the new trail.

City staff will contract with a graphic artist to develop the interpretive signage based on the successful interpretive signs installed at Mathison Park in Burien. The signs and pedestals will be professionally fabricated and then installed by city staff.
For the native plant restoration we will work with the Middle Green River Coalition (MGRC). MGRC will purchase plants, plant them in the woodland area, and maintain the plants for five years through establishment.

Why we will do it: In August 2012 the city of Covington turned 15 years old, however it doesn’t yet have an interpretive trail. This is a long overdue first step toward establishing a system of interpretive trails throughout the city for educating residents of Covington and southeast King County. Working with MGRC is also a major priority for this project. Both Covington and MGRC strongly desire to work together develop the capacity to protect and enhance natural areas in Covington. This project will help each organization develop its capacity, help us learn how to work together, and is a long overdue first step toward stewarding this site as well as working together to improve other sites throughout Covington.

The pressing need that will be addressed: Two pressing needs are addressed by this project. The first is to develop an interpretive trail within the city. At fifteen years old, the city is long overdue to have an interpretive program. The interpretive trail has been an integral part of the park project since its inception. The second pressing need is to increase the stewardship capacity of both the city and MGRC. In working with MGRC we will not only improve the quality of the 15 acre woodland portion of the park for this project, this will also open the door to expanding open space stewardship into other natural areas in the city in the future.

The promising opportunity that will be capitalized on is: Covington has received over $1.5 million in grant and partnership funding to develop Covington Community Park, including the woodland interpretive trail and native plant restoration. The trail and landscaping were designed by a landscape architect as part of planning the entire 30 acre park. By combining the trail and planting design with the overall project the design process and costs are most efficient. Construction of the interpretive trail will be performed by a contractor that already has the expertise and heavy equipment on the site for constructing other aspects of the project, saving on management, mobilization and supervision costs. Without receiving the KCD funds we could not establish the city’s first interpretive trail or build the stewardship capabilities of Covington and MGRC.

The who or what that will be positively or negatively affected is: The residents and natural areas of Covington will be positively affected by this project. Only invasive plants and people who prefer neglected weed infested open space will be negatively affected. With the interpretive trail residents will be able to learn about the vital role that native plants and urban forest play in the environmental, social and economic well-being of the city. The natural environment will be improved by planting the margins of the new interpretive trail.
with native species, by decommissioning existing trails and planting native species and by removing invasive species and replacing them with native plants.

2. Natural Resource Improvement Actions – describe how the project will address a minimum of one of the natural resource improvement actions described on page 1 of the application instructions. Consider the following in your answer to this question: What natural resources will be improved? What are the known needs, gaps or deficits that will be addressed? What are the known benefits to soil, water, air, plants, fish and wildlife, landowners?

Description of how the project will address several natural resource improvement actions:

The natural resources that will be improved are plants and wildlife. Native plant restoration will remove non-native invasive plants such as English ivy, English holly, Himalayan blackberry and scotch broom and replace them with native plants that provide appropriate habitat for native wildlife. There are several areas of douglas firs that appear to be suffering from root rot. These areas need to be replanted with trees and shrubs that are resistant to root-rot and will replace the dying douglas firs.

The known needs, gaps or deficits that will be addressed are creating the first interpretive trail in Covington, installing native plants in disturbed areas such as decommissioned trails and the margins of new trails, replacing invasive plants with native plants, and developing the capacity of the city and MGRC to steward open spaces and natural areas throughout Covington.

Please see above for the known benefits to soil, water, air, plants, fish and wildlife, and landowners.

The trail will be designed around the existing forested wetland areas. Some of these wetland areas have been impacted by the informal trails that have been created by well meaning citizens. The area has also been impacted by inappropriate use of motorized quads. Having well designed formal trails will significantly reduce impacts by the various users.

Little Soos Creek flows along the west side of the project site. There is an unofficial stream crossing/ford that historically has been used by foot traffic and motorized vehicles to access the park property. In order to protect the stream area, it is not part of the new trail system. One of the benefits of the park development project is that the stream crossing will be eliminated.
3. **Project Activities and Measurable Results** – using the table below, list specific project activities to be completed, the timetable for the activities, and the deliverables associated with those activities. Consider the following in your answer to this question: *What actions, interventions, programs, services will be deployed?*

<table>
<thead>
<tr>
<th>Activity Description</th>
<th>Deliverables</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Design trail</td>
<td>Design document and bid spec</td>
<td>1/12-5/12</td>
</tr>
<tr>
<td>2. Design interpretive program</td>
<td>Interpretive sign graphics, text and sign specification</td>
<td>9/12-10/12</td>
</tr>
<tr>
<td>3. Construct trail</td>
<td>Grading and surfacing of trail</td>
<td>7/12-10/12</td>
</tr>
<tr>
<td>4. Native species restoration planting</td>
<td>Purchase and installation of native plants</td>
<td>11/12-6/13</td>
</tr>
<tr>
<td>5. Purchase and install interpretive program signs</td>
<td>Installed signs</td>
<td>10/12-3/13</td>
</tr>
<tr>
<td>6. Native plant restoration maintenance – year 2</td>
<td>Weeding, replacement of unhealthy and dead plants</td>
<td>4/13, 10/13</td>
</tr>
<tr>
<td>7. Native plant restoration maintenance – year 3</td>
<td>Weeding, replacement of unhealthy and dead plants</td>
<td>4/14, 10/14</td>
</tr>
<tr>
<td>8. Native plant restoration maintenance – year 4</td>
<td>Weeding, replacement of unhealthy and dead plants</td>
<td>4/15, 10/15</td>
</tr>
<tr>
<td>9. Native plant restoration maintenance – year 5</td>
<td>Weeding, replacement of unhealthy and dead plants</td>
<td>4/16, 10/16</td>
</tr>
<tr>
<td>10.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4. Effectiveness (see page 2 of application instructions for definition) – describe how the project will effectively implement the natural resource improvement measures identified in question No. 2 above. Consider the following in your answer to this question: Why is the primary applicant the best entity to deliver the proposed program/service/intervention? What is the capacity of the primary applicant to deliver the proposed program/service/intervention? What tools, services and partners will be brought to bear?

The city of Covington is the best entity to effectively implement the proposed natural resource improvements because the city owns and maintains the land in perpetuity. As the land owner we are best suited to:

- Design, develop and maintain the trail corridor
- Design the interpretive program
- Purchase, install and maintain the interpretive signs
- Design the native plant restoration
- Supervise establishment and maintenance of the native plant restoration.

The city is the most effective entity to provide this project as we will be promoting the use of the park and trail system. As a community park it is intended to serve residents of the city and the surrounding unincorporated area, so we will reach a large and diverse audience. Users that come to the park for sports activities and exercise will be passively exposed to the interpretive program, allowing us to educate a variety of area residents that wouldn’t actively seek out an interpretive program. Of course we will also reach those that come specifically for the interpretive trail.

The city has the capacity to deliver the project with the normal staffing assigned to manage the park design and construction project along with the long term maintenance resources. The overall project is led by Scott Thomas, Parks and Recreation Director, with 13 years of experience planning, designing and constructing park and habitat projects. The park was designed by a team of professional architects, engineers and other specialists, led by Ed MacLeod of MacLeod Reckord Landscape Architects. Ed and the other members of the design and engineering team have decades of experience in these kinds of projects. Bidding and construction of the project is led by Don Vondran, City Engineer. Don has 20 years of experience and an excellent track record of delivering quality construction projects on time and within budget. Construction of the trail will be performed by Goodfellow Brothers, Inc., which was selected through the bid process for the overall park construction project. Installation and establishment of the native plant restoration will be led by Middle Green River Coalition. MGRC is experienced in leading preservation and restoration efforts throughout Southeast King County. Ongoing long term maintenance of the trail, interpretive signs and native plants will be conducted by the city’s professional maintenance team as part of their normal routine park maintenance tasks.
5. Efficiency (see page 2 of application instructions for definition) – describe how the project will efficiently implement the natural resource improvement measures identified in question No. 2 above. Consider the following in your answer to this question: How will the proposed program/service/intervention engage in conjunction with related efforts? How does your strategy best leverage resources?

Our project approach is direct and cost effective as the city owns the land and leads the design, construction and maintenance of the natural resource improvements. The project will be implemented most efficiently by carefully utilizing the expertise of contractors and partners. The trail and landscape plan were designed by a landscape architect as part of our overall effort to plan the entire 30 acre park. By combining the trail and planting design with the overall project the design process and costs are most efficient. Construction of the trail is being performed by a contractor that already has the expertise and heavy equipment on the site to construct other aspects of the project, saving on management, mobilization and supervision costs. A specialized fabrication firm will be used to construct the interpretive signs. Native plant installation and establishment will utilize the expertise of the Middle Green River Coalition. Long term maintenance will be handled by existing city maintenance staff that will be in the park on a routine basis.

Our project engages in conjunction with related efforts by working with the Middle Green River Coalition. MGRC is the primary organization advocating for and leading habitat preservation and restoration efforts in Southeast King County. Our partnership will draw their expertise into our interpretive trail and native plant restoration project and open the door to further collaborations on other park and open space properties in Covington. This project will increase the capacity for open space preservation and restoration in both organizations and pave the way for further collaboration.

Further, we may also be able to partner with the Washington Native Plant Society. If this partnership comes to fruition we will be supporting their efforts to establish a group in Southeast King County. All agencies in this area will greatly benefit from having a cadre of trained Native Plant Stewards to support open space management in the future.

This project leverages resources in several ways:
- By coordinating the interpretive trail and native plant restoration projects with other park construction occurring on other parts of the property we are able to have one larger more efficient design, bidding and contracting process compared with individual smaller projects.
- Utilizing volunteers from the community, Middle Green River Coalition, and possibly the Washington Native Plant Society is purposeful and allows the total cost of the project to be lower.
6. Equity (see page 2 of application instructions for definition) – describe how the project will equitably implement the natural resource improvement measures identified in question No. 2 above. Consider the following in your answer to this question: In what part of the District will the proposed program/service/intervention occur? Who is the target audience and what demographic section of the community will be affected?

The project will reach a wide and diverse audience. The project is located within the 30-acre Covington Community Park. As a community park it will serve residents from Covington and the surrounding unincorporated county area. Most of the residents of Covington and the surrounding area are families. The interpretive trail and native plant restoration are located near a new multi-purpose field that will be used for soccer and community events. In addition to residents who come to the park specifically to use the walking trail, patrons that come to use the field will discover and use the trail system and will also be exposed to the interpretive program and the native plant restoration. Further, there is an elementary and high school within walking distance of the park. Both schools have expressed an interest in using the park as part of their environmental education programs. We will reach youth and adults from Covington and the surrounding county area. We will reach those that come specifically for the interpretive trail, plus those that come for other purposes such as walking, youth sports and community events.

We will equitably implement an interpretive trail and native plant restoration by doing the work within the city of Covington, in the southeast portion of the conservation district. This project will utilize member jurisdiction funds allocated to Covington. Covington has undertaken only one project utilizing KCD jurisdictional funds. We have been waiting for several years in the hope that accumulated KCD jurisdictional funding could be used for this project.
7. **Evaluation of Intended Results** - describe the evaluation mechanisms you will use to track, document, and report that the project has achieved the intended results described in questions 1-3.

   **Evaluation Criteria**
   - [ ] Trail built
   - [ ] Interpretive signs installed
   - [ ] Native plants installed
   - [ ] Plant maintenance and **90%** survival, (year 2)
   - [ ] Plant maintenance and **90%** survival, (year 3)
   - [ ] Plant maintenance and **90%** survival, (year 4)
   - [ ] Plant maintenance and **90%** survival, (year 5)

8. **Project Budget & Expenses**

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>KCD Funds</th>
<th>City of Covington</th>
<th>Other Funds (specify)</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td>Salaries and Benefits</td>
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<td>Travel/Meals/Mileage</td>
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<td>Office/Field Supplies</td>
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<td>KPG</td>
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<td>Goodfellow Brothers</td>
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<td><strong>TOTAL</strong></td>
<td>$100,569</td>
<td>$108,063</td>
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<td>$208,632</td>
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</table>

9. **KCD Acknowledgement** - Describe how the KCD will be acknowledged as a source of funding for the proposed program/service/intervention (see Grant Program Overview & Policies, General Grant Program Policies, #6).

   King Conservation District funding will be acknowledged as follows:
   - On park kiosks
   - On interpretive signs
   - In press releases that mention park funding
   - On all printed, web based, and electronic documents related to the trail and interpretive program

   Authorized Signature

   9-11-12

   Date
SUBJECT: PUBLIC HEARING TO RECEIVE TESTIMONY FROM THE PUBLIC REGARDING PROPOSED FISCAL YEAR 2013 BUDGET [SECOND OF TWO PUBLIC HEARINGS].

ATTACHMENT(S):

RECOMMENDED BY: Rob Hendrickson, Finance Director

EXPLANATION:
This is the second and final hearing on the 2013 proposed operating and capital budget required on or before the first Monday in December. It may be continued from day-to-day but no later that the 25th day prior to the next fiscal year (December 7).

It is the policy of the City to follow applicable laws as they relate to the budget process.

ALTERNATIVES:
N/A

FISCAL IMPACT:

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

NO COUNCIL ACTION REQUIRED AT THIS MEETING
SUBJECT: CONTINUE 2013 BUDGET DELIBERATIONS

ATTACHMENT(S):

RECOMMENDED BY: Rob Hendrickson, Finance Director

EXPLANATION:

Continue 2013 budget discussions. Answer questions raised during the budget workshop.

ALTERNATIVES:

FISCAL IMPACT:

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

DISCUSSION ONLY – NO ACTION REQUIRED

REVIEWED BY: City Manager
SUBJECT: PROPOSED ORDINANCE TO SET THE 2012 PROPERTY TAX LEVY FOR COLLECTION IN 2013.

ATTACHMENT(S):
1. Proposed Ordinance.
2. Property Tax Worksheet

RECOMMENDED BY: Rob Hendrickson, Finance Director

EXPLANATION:
Property taxes for the City of Covington are currently one of three main sources of revenue for the City. Property taxes are subject to a variety of legal limitations, including limits on growth (the 101%), limits on tax rates, and limits on total rate for overlapping districts. Property taxes are the most stable form of taxation – one that is not portable.

Staff has proposed a property tax increase of one percent (1.0%) excluding new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, and annexations that have occurred, and refunds made, without voter approval.

A public hearing is required under state law (RCW 84.55.120) to review other 2013 revenue sources that support the City’s general fund.

This hearing, mandated by law, should focus on the City’s revenue sources and potential adjustments to property tax revenues. The deadline for setting 2013 property tax levies for cities in King County is December 3, 2012.

It is the policy of the City to follow applicable laws as they relate to the budget process.

ALTERNATIVES:
This is a significant revenue source for the City. Should the Council elect to make any significant changes to the levy that has been projected in the preliminary budget and the 6-Year Forecast Model, a corresponding change in the budgeted expenditures may need to be made.

FISCAL IMPACT:
This ordinance sets the 2012 property tax levy for taxes to be collected in 2013. Covington’s estimated assessed value (AV) for 2013 is $1,528,990,204 including (estimated) $23,379,250 for new construction.

Based on the AV, the estimated total levy is $2,364,343. This includes the beginning levy rate of $2,303,323 plus one percent of $23,033, plus an estimated amount for new construction of $34,622, and prior year refunds of $3,365. A final amount to be levied for new construction, the
state-assessed public utility value, and prior year refunds made will be determined by the Assessor’s office.

The estimated dollar increase over 2013 excluding new construction, annexations, increase in utility value, and prior year refunds is $23,033 or 1.0%.

Because the County does not have the final numbers for items such as new construction, the state-assessed public utility value, and refunds made at this time, language is included in the ordinance that gives the County permission to make changes based on the final numbers. This would result in additional taxes for the City that are exclusive of the 1.0% increase. Therefore, the amount that will be included in the ordinance to cover any additional revenue not included in the preliminary worksheet will be $2,380,000. This is the base plus 1.0%. The remainder will be added by the assessor’s office.

CITY COUNCIL ACTION:  X  Ordinance  Resolution  Motion  Other

Councilmember _____________ moves, Councilmember _____________ seconds, to pass an Ordinance setting the 2012 property tax levy for collection in 2013 at $2,380,000.

REVIEWED BY: City Manager; City Attorney.
ORDINANCE NO. 16-12


WHEREAS, the city council of the City of Covington has met and considered its budget for the calendar year 2013; and

WHEREAS, the city council held a public hearing on October 23, 2012, and heard and duly considered relevant evidence and testimony regarding an increase in property tax revenues from January 1, 2013 to December 31, 2013; and

WHEREAS, the population of the City of Covington is more than 10,000;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINGTON, KING COUNTY, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. The city council hereby establishes a regular levy in the amount of $2,380,000, which is a 1.0% increase in property tax revenue from the previous year, in addition to revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state-assessed property, any annexations that have occurred, and refunds made in order to discharge the expected expenses and obligations of the city and in its best interest.

Section 2. This ordinance shall be in full force and effect five (5) days after proper posting and publication. A summary of this ordinance may be published in lieu of publishing the ordinance in its entirety.

Section 3. If any provision of this ordinance, or ordinance modified by it, is determined to be invalid or unenforceable for any reason, the remaining provisions of this ordinance and ordinances and/or resolutions modified by it shall remain in full force and effect.

ADOPTED by the City of Covington City Council at a regular meeting thereof held on the 27th day of November 2012.

Mayor Margaret Harto

ATTESTED: PUBLISHED: November 30, 2012
EFFECTIVE: December 5, 2012

Sharon Scott, City Clerk

APPROVED AS TO FORM:

Sara Springer, City Attorney
Estimated Property Tax
2013

2012 Levy Amount= $ 2,303,323

x1% 23,033

Increase in utility value -

Plus: New Construction 34,622

Relevy for prior year refunds 3,365

2013 Property Tax Levy $ 2,364,343

Assessed Valuation $ 1,528,990,204

2013 Estimated Levy Rate= $ 1.54634

EXAMPLE

<table>
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<tr>
<th>Home value</th>
<th>Tax Amount</th>
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<tbody>
<tr>
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<td>$ 503</td>
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<th></th>
<th>2011</th>
<th>2012</th>
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<tr>
<td>Assessed Value</td>
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<tr>
<td>Tax Levy</td>
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<td>$ 2,364,343.23</td>
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<tr>
<td>Levy Rate</td>
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<td>Home value</td>
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<tr>
<td>Tax Assessment</td>
<td>$ 481.29</td>
<td>$ 486.70</td>
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</tbody>
</table>
SUBJECT: CONSIDER PROPOSED ORDINANCE AUTHORIZING A PROPERTY TAX INCREASE IN TERMS OF BOTH DOLLARS AND PERCENTAGES AS REQUIRED BY RCW 84.55.120.

ATTACHMENT(S):
1. Proposed Ordinance.

RECOMMENDED BY: Rob Hendrickson, Finance Director

EXPLANATION:
To increase the regular property tax levy to be collected in the 2013 tax year, the City Council needs to adopt a separate ordinance as required by RCW 84.55.120 which states in part:

“No increase in property tax revenue, other than that resulting from the addition of new construction, increases in assessed value due to construction of electric generation wind turbine facilities classified as personal property, and improvements to property and any increase in the value of state-assessed property, may be authorized by a taxing district, other than the state, except by adoption of a separate ordinance or resolution, pursuant to notice, specifically authorizing the increase in terms of both dollars and percentage. The ordinance or resolution may cover a period of up to two years, but the ordinance shall specifically state for each year the dollar increase and percentage change in the levy from the previous year.”

The attached ordinance meets the requirements of RCW 84.55.120.

FISCAL IMPACT:
This ordinance states the property tax increase as one percent (1.0%) or $23,033 as required by statute.

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

Councilmember _____________ moves and Councilmember _____________ seconds, to pass an Ordinance authorizing a property tax increase of one percent (1.0%) or $23,033 as required by RCW 84.55.120.

REVIEWED BY: City Manager; City Attorney.
ORDINANCE NO. 17-12

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COVINGTON, KING COUNTY, WASHINGTON, SPECIFICALLY AUTHORIZING A PROPERTY TAX INCREASE IN TERMS OF BOTH DOLLARS AND PERCENTAGES AS REQUIRED BY RCW 84.55.120.

WHEREAS, the city council of the City of Covington has met and considered its budget for the calendar year 2013; and

WHEREAS, the city’s actual levy amount from the previous year was $2,303,323; and

WHEREAS, the population of the city is more than 10,000;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINGTON, KING COUNTY, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. An increase in the regular property tax levy is hereby authorized for the levy to be collected in the 2013 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be $23,033.00, which is a percentage increase of one percent (1.0%) from the previous year. The increase is in addition to revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred, and refunds made.

Section 2. This ordinance shall be in full force and effect five (5) days after proper posting and publication. A summary of this ordinance may be published in lieu of publishing the ordinance in its entirety.

Section 3. If any provision of this ordinance, or ordinance modified by it, is determined to be invalid or unenforceable for any reason, the remaining provisions of this ordinance and ordinances and/or resolutions modified by it shall remain in full force and effect.

ADOPTED by the City of Covington City Council at a regular meeting thereof held on the 27th day of November, 2012.

Mayor Margaret Harto

ATTESTED:

Sharon Scott, City Clerk

APPROVED AS TO FORM:

Sara Springer, City Attorney
SUBJECT: REPORT ON PROPOSED SCOPE OF WORK FOR THE NORTHERN GATEWAY AREA STUDY PHASE II

RECOMMENDED BY: Richard Hart, Community Development Director

ATTACHMENTS:
1. Map of Northern Gateway Study Area
2. Proposed Scope of Work for Hawk Gravel Extraction Property (Oakpointe Holdings
3. Proposed Scope of Work for “Notch” Property (BranBar/H&C Enterprises)

PREPARED BY: Richard Hart, Community Development Director

EXPLANATION:
Stalzer and Associates, the consultant under contract with the city, has completed Phase I of the Northern Gateway Urban Growth Area Analysis and Annexation Study (the “Northern Gateway Study” or “Study”), which encompasses approximately 485 acres on both sides of Highway 18 at the existing SE 256th St. interchange. (See Attachment 1) All parties have expressed an interest in proceeding with Phase II of the Study, which is preparation of more specific subarea plans for both geographic portions of the Northern Gateway Area located on either side of Highway 18 at the SE 256th St. interchange.

The two geographic subareas of land analyzed under the Study are as follows: the Hawk property, encompassing the gravel extraction and processing site on the southeast side of Highway 18 at SE 256th St. and already part of the UGA (all but 80 acres of which is within the city limits); and the “Notch” area surrounding Jenkins Creek on the northwest side of Highway 18 at the SE 256th St. interchange (not currently within the city limits or the UGA).

Oakpointe Holdings, on behalf of the Hawk ownership, has indicated they will submit an annexation petition to the city for the 80 acres of their ownership within the city’s UGA, which is located east of the existing gravel operation.

Each of the subareas of the Northern Gateway Study have different geography, topography, and environmental conditions and city staff and our consultant feel the scope of work required for each subarea should be evaluated and completed independently of each other. In addition, since the “Notch” is not yet within the UGA, the city is limited in the degree to which a subarea plan can be completed. Although both areas are significant to the city, it’s staff recommendation that each subarea planning process follow separate but concurrent paths, potentially with different time lines, as each has its own objectives and public participation requirements.

The Phase II scope of work for each subarea will involve a more detailed study of land use alternatives and policy framework for subarea plans; unique stakeholder outreach; development
of proposed zoning district classifications; unique zoning and site planning and design regulations; projected capital facilities programs; and appropriate SEPA review processes.

The South Subarea portion of the Northern Gateway Study involving the Hawk property and Oakpointe Holdings will require a detailed and time consuming Planned Action EIS as well as a more extensive public participation process. In addition, the city will need to provide some baseline transportation modeling from our transportation consultants, David Evans & Associates, which will be required the following year as part of our 2015 GMA mandated Comprehensive Plan Update. Therefore the costs of this Subarea Plan will be substantial.

The North Subarea portion of the Northern Gateway Study involving the “Notch” and BranBar property will require much less detail and take less time to complete. Some transportation and traffic analysis will be required, but no EIS or SEPA review, since the land is not within the city limits or the UGA at this time, and no development proposal can be submitted to the city. Those actions will come later when a specific development project is proposed.

City staff and our consultant are providing a separate scope of work for each subarea. (See Attachments 2 and 3) City staff is providing for council review and comment a suggested approach to the Phase II subarea planning process and the specifics of the scope of work involved. If acceptable, staff will return at a future council meeting for authorization to execute contracts with Oakpointe Holdings, BranBar/H&C Enterprises, and Stalzer and Associates for completion of the proposed Northern Gateway Area Study Phase II scopes of work. All funding for the work performed by Stalzer and Associates will be provided by BranBar/H&C Enterprises and Oakpointe Holdings.

ALTERNATIVES:
1.) Do not proceed with any subarea planning study of the Northern Gateway Area at this time.
2.) Only proceed with subarea planning for the Hawk property already within the UGA.

FISCAL IMPACT:
No direct city budget dollars are to be allocated to this Study. All funding for the contract amount for Phase II will be provided by BranBar/H&C Enterprises and Oakpointe Holdings through separate agreements with the city. Though the city does not envision spending any direct funds for Phase II, the city will provide some in-kind services in the form of staff time for project management, data collection, meeting organization, public notices, and maintaining website information for public outreach.

CITY COUNCIL ACTION: _____Ordinance _____Resolution_____Motion ___X___Other

This proposed scope of work and approach to subarea planning for Phase II of the Northern Gateway Study is provided to council for information purposes, review, and comment. No specific action is required at this time. Contracts for execution of the proposed work will be provided at a future council meeting.

REVIEWED BY: City Manager, Finance Director, City Attorney
OVERVIEW

A subarea plan and planned action EIS will be prepared for the south area including both the area within the city limits and the adjacent area outside the city limits but within the Covington Urban Growth Area (UGA). The scope of work is similar to the development tasks in the scope of work dated March 21, 2012, but it includes a wider range of alternatives and annexation facilitation. The purpose of the subarea plan will be to further develop the planning concepts illustrated in the August 13, 2012 “Preliminary Land Use Concept Plan” subject to additional review of critical areas shown on the Concept Plan. Tasks will include:

- A Master Land Use Plan containing development areas, street network, critical areas based on City of Covington standards, and a passive and active open space network
- Planning sessions with representatives of the major property owner(s) and the community
- Land use designations and zoning based on existing or proposed City of Covington Comprehensive Plan land use designations and zoning classifications implementing the Master Land Use Plan
- Capital facilities program and preliminary infrastructure plans
- Implementing development standards, regulations, and design standards
- Refinement of the annexation fiscal analysis and facilitation of the annexation process
- Presentations at Planning Commission and City Council meetings and public hearings

It is anticipated that the Planned Action EIS will contain a No Action alternative, two action alternatives, one of which will be the preferred alternative. The alternatives would be detailed enough to allow for a planned action, development agreement, and tailored policies and code. The key elements of the environment for the EIS would include:

- Earth
- Plants and Animals
- Surface Water
- Air Quality
- Transportation
- Land Use
- Cultural Resources
- Public Services
- Utilities
- Noise
METHODS AND ASSUMPTIONS

Subarea Plan
The Subarea Plan will contain:

- Vision, Goals, Objectives, and Policy Framework
- Land Use, Circulation, and Open Space Concepts
- Zoning Map and Regulations, Design Guidelines, and other Development Standards as appropriate
- Capital Facilities Plan

Wherever possible, the subarea plan will use or build upon the structure of existing applicable Covington development standards and regulations. A zoning map will be prepared reflecting the proposed zoning classifications. The design guidelines will be unique to this subarea and clearly differentiate between the desired character of the South Study Area and that of downtown Covington. The design guidelines will be based on key planning principles that relate to the community vision as well as best practices for urban planning.

The subarea plan will also include a draft capital facilities plan based upon the City’s budget and 6-year Capital Improvement Program as well as project lists developed with Draft EIS alternatives. The project team will compile cost and revenue information from the City and special districts. The final capital facilities plan will be based on the preferred alternative. It should be noted that cost estimates for parks and transportation improvements are not included in the present scope.

Planned Action EIS

General Approach: The Existing Conditions Assessment for all topics covered in the Phase 1 Northern Gateway Study will be incorporated into the Affected Environment section of the Draft EIS.

Earth: The project team will use the City’s Critical Area Ordinance maps and the Natural Resource Conservation Service maps to characterize existing soil types, especially steep slopes, unstable soils, and highly erodible soils. The existing reclamation plan for the Lakeside gravel mine will be reviewed to characterize how post-reclamation soil conditions will affect the suitability for future land uses at the current mine site. Relevant City building code regulations for erosion control and soil stability will be summarized and a range of options presented for how the City could implement special geotechnical standards for project-level permitting.

Plants and Animals and Surface Water: The technical analysis for each section will include a description of existing conditions, assessment of the significant adverse impacts (direct, indirect and cumulative), evaluation of the potential mitigation measures for each of the alternatives, and discussion of regulatory implications and permit requirements. Up to three report figures will be included.

Air Quality: Existing air quality conditions and regulations relevant to the proposal will be summarized including Puget Sound Clean Air Agency regulations for stationary sources and construction fugitive dust and future requirements for Transportation Conformity determinations for roadway improvements. To evaluate potential impacts to regional air quality the City’s forecasts for population growth and regional vehicle miles traveled (VMT) will be compared to regional Puget Sound forecasts developed by the
Puget Sound Regional Council (the City will provide the population and VMT data used for this analysis). To evaluate greenhouse gas (GHG) emissions, city-provided land use forecasts will be used to estimate existing GHG emissions and future GHG emissions for each alternative, using the King County GHG spreadsheet. The “Build Carbon Neutral” calculator will be used to forecast soil-carbon GHG emissions caused by removing existing vegetation from the study area. A comprehensive list of relevant GHG reduction measures the City could consider as part of project-level environmental permitting will be presented.

**Transportation:** A transportation analysis will be prepared combining a technical analysis and DEA transportation modeling.

- **No Action Alternative:** The project team will work with City staff to develop the appropriate future citywide land use to be analyzed for 2031 No Action conditions. The land use will be provided to the City’s transportation consultant (DEA) who will model it using the City’s travel demand forecasting model. This scope assumes that DEA will post-process the model data and provide the forecasted 2031 PM peak hour volumes in Synchro files. This task also assumes that DEA will provide the model results for the City’s arterial links to support concurrency analysis. The project team will evaluate future level of service at citywide intersections, and coordinate with City staff and the City’s traffic consultant to identify locations where improvements would be needed under No Action conditions (without the proposed Subarea Plan). This task assumes that only the PM peak hour would be evaluated. It also assumes that 47 citywide intersections would be evaluated (45 intersections already defined in the City’s concurrency program plus the two SE 256th Street/SR 18 ramp intersections), with up to 10 intersections warranting more detailed analysis to identify projects to address potential deficiencies. This task does not include development of cost estimates for additional capacity improvement projects that are identified; it is assumed that DEA would be retained to develop cost estimates, consistent with the City’s standard methods, if needed.

- **DEIS Action Alternatives** – The project team will evaluate two Action alternatives for the DEIS, using the following methods.
  - **Land Use Assessment** – This task assumes time to participate in the workshop to develop the land use alternatives and to coordinate with the project team on the transportation aspects of the DEIS land use alternatives as they are developed.
  - **Trip Generation** – Once the land use has been defined for each alternative, we will project the trips generated by build-out of the land use that has been defined for each alternative, using equations, rates, and methods defined in the Institute of Transportation Engineers (ITE) *Trip Generation* and travel mode data compiled by the Puget Sound Regional Council (PSRC). Trip generation analysis will take into account the potential for internal trips (trips between uses within the project sites), pass-by trips, and diverted-linked trips.
  - **Vehicle Trip Distribution and Assignment** – The projected trip generation data for each DEIS alternative will be provided to the City’s transportation consultant (DEA) who will input the trips into the City’s travel demand forecasting model to project the assignment of project-generated trips on the City street system. Any new major roads that are anticipated to be built at the project site could also be added to the modeled scenarios. This scope assumes that DEA will post-process the model data and provide the forecasted 2031 PM peak hour volumes in Synchro files, as well as the model results for the City’s arterial links to support concurrency analysis.
• **Off-Site Operational and Safety Analysis** – A “with project” level of service for 2031 build-out conditions for the citywide analysis intersections will be evaluated. This task assumes that initial level of service assessment will include all 47 city analysis intersections to determine which would carry project-generated trips that exceed the City’s thresholds for transportation impact analysis. Intersections expected to be significantly impacted by the project (as defined by City standards) will be identified as will improvements needed to address those impacts. The collision assessment completed in Phase 1 will be updated to include any additional analysis intersections that are added to the study area as a result of the impact analysis.

• **On-Site Access and Circulation Analysis** – The level of service at the project site’s potential access driveways will be evaluated and potential issues with on-site vehicle circulation identified. Recommendations for the locations and capacities needed for internal roadways and driveways will be prepared.

• **Non-Motorized and Transit Analysis** – Potential operational and safety impacts of pedestrian and bicycle modes will be evaluated and recommendations for connections to the external non-motorized network identified, as well as internal access and circulation connections.

• **Parking Analysis** – The parking supply needs for each land use alternative will be evaluated based upon the City’s code requirements.

• **Mitigation** – Any improvement projects or other measures that are identified in the tasks described above will be documented. This task does not include development of cost estimates for any additional transportation improvement projects that are identified.

• **Preliminary DEIS Transportation Section** – The methods, results and recommendations of all of the tasks described above will be documented in the DEIS transportation section. This task assumes creation of up to eight figures.

• **DEIS Transportation Section** – Comments provided by the City and project applicant on the preliminary draft will be incorporated into the DEIS transportation section.

• **Meetings** – This scope assumes two meetings with the project team/City staff during the development of the DEIS, and participation in one public meeting held during the DEIS comment period.

• **FEIS Preferred Alternative** – One Preferred alternative will be evaluated for the FEIS, using the same methods described for the DEIS Action alternatives. This scope assumes that analysis of transportation impacts will be conducted for the PM peak hour.

• **Phasing Analysis** – For mitigation identified to support build-out of the Preferred Alternative, trigger points at which the mitigation would be needed will be identified. The trigger points will be based upon project-generated trips.

• **Preliminary FEIS Transportation Section** – This task assume time to respond to up to 25 unique comments on the DEIS transportation section; the tasks defined above will be documented in the FEIS transportation section. This task assumes creation of up to two additional figures. It is also assumes that no additional intersections or alternatives (besides the Preferred Alternative) would require analysis.

**Land Use:** Land use patterns, land use compatibility and activity levels, and population/employment capacity of the Draft EIS alternatives and Final EIS preferred alternative will be reviewed. The relationship of the Subarea Plan to the City’s Comprehensive Plan and other functional plans will be identified, as will policy or code provisions that serve as mitigation measures.
Cultural Resources: Existing conditions and potential future conditions will be addressed based on the area redeveloping and compliance with local, state, and federal regulations. A literature search will be documented. If needed, limited locations will be reviewed in the field at a reconnaissance level. There will be no shovel probing or excavation associated with this analysis. Contact will be made with local tribes in conjunction with the City, to help identify any Traditional Cultural Properties located within the project area. Information gathered from the site visit and tribal consultation will be included in the EIS.

Public Services: Existing levels of service, estimated needs and demand for service, and projected levels of service under each alternative for the range of services that could be altered as a result of each studied alternative will be reviewed. To the extent feasible the analysis will be based on available plans and population-based estimates of demand. Efforts will be coordinated with city staff and service providers to craft mitigation language. The analysis will be heavily coordinated with the Capital Facilities Plan as it contains similar information about levels of service and planned improvements.

Utilities: A capacity analysis and identification of deficiencies and other issues for one no action, two alternatives, and one preferred alternative will be prepared. The analysis will include: a narrative of issues regarding sewer, water, and storm facilities to serve the alternatives; an order-of-magnitude estimate of costs of providing sewer, water and storm services for the action alternatives and preferred plan (to support the capital facility plan); and maps of the necessary facilities by alternative.

Noise: The existing noise environment and key existing noise sources in the study area (no baseline noise monitoring is proposed) will be qualitatively characterized. Relevant state and local regulations that will minimize future noise impacts caused by future development will be cited. Published sources will be used to estimate future increases in day-night noise levels (Ldn) based on forecast future land use population density. For the future No Action alternative, the potential noise impacts caused by continued gravel mining will be evaluated. The Traffic Noise Model (TNM) lookup model will be used to develop a general spatial trend for future noise levels near up to three key roadways affecting the study area. Additionally, the noise review will be coordinated with the team’s wildlife specialists to assess future wildlife impacts.

Annexation Fiscal Analysis and Facilitation of the Annexation Process
The fiscal analysis completed in Phase 1 will be updated to address the potential growth associated with the action alternatives of the EIS. Advisory support will be provided to the City on the annexation process for the UGA.

Public Meetings and Presentations
The Subarea Plan and EIS will be developed in an iterative process, with the following general steps:

- Community Scoping and Alternatives Workshops: EIS scoping and subarea plan visioning will be conducted with the public, including potential imagery and identity for the South Study Area and a hands-on planning exercise with real-world examples of the type and scale of uses and developments contemplated for the subarea

- Team Work Session: Based on the planning concepts illustrated in the August 13, 2012 “Preliminary Land Use Concept Plan”, any additional critical area information, and the results of the hands-on planning exercise, alternative land plan solutions will be prepared
• Planning Commission Review – Range of EIS Alternatives: A range of preliminary alternatives from visioning and team workshop, as well as a “Consumer Reports” evaluation or pros/cons analysis of the environment, traffic, market, fiscal and similar considerations will be prepared for Planning Commission review and direction for the Draft EIS

• Draft EIS and Draft Subarea Plan Comment Period: A public meeting will be held during the Draft EIS 30-day comment period to review the Draft Plan and action alternatives and to develop a preferred alternative for study in a Preferred Subarea Plan and Final EIS

• Planning Commission Workshop, Public Hearing and Deliberations: The project team in coordination with city staff will facilitate a workshop with the Planning Commission focusing on the preferred plan, proposed comprehensive plan policies and designations; implementing development standards and regulations; and design guidelines. The project team will assist the city staff at a public hearing and a deliberation session.

• City Council Review: The project team will assist the city staff at one public hearing and one deliberation session with the City Council.
**City of Covington South Area Subarea Plan & EIS Schedule**

### Phase 2

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Schedule Prepared: November 14, 2012
OVERVIEW

The Northern Gateway North Area Planning Study will be based on the assumption that over time the north area (the “notch”) will become part of the City of Covington and therefore, the study will refine the planning concepts illustrated in the August 13, 2012 “Preliminary Land Use Concept Plan.”

Tasks will include:

- A refined Land Use Concept illustrating development subareas, potential street network, critical areas based on King County standards, and a passive and active open space network.
- Land use designations and zoning based on existing or proposed City of Covington Comprehensive Plan land use designations and zoning classifications.
- Traffic Impact of “Future Potential Commercial/Retail” Zone (probable large format Regional Commercial) in close proximity to Roads and Intersections; i.e. SE 256th St & Wax Road.
- Financial impacts to residents in Notch based on theoretical upzone from “RA-5” in King County currently to Urban Residential, following with an annexation to the City of Covington, where lowest density residential is R-4 (4 du/acre). This will be qualitative and based on a residual land analysis.
- Refreshment of the Phase 1 Fiscal Analysis based on the refined Land Use Concept and a review of annexation impacts to residents by moving from County services and taxes to City services and taxes.
- Meetings with representatives of the major property owner(s) and development services staff.
- Presentation at a Planning Commission study session and a City Council Study Session.

ASSUMPTIONS

Land Use Concept: The refined Land Use Concept will be developed based on the following iterative process:

- Kick off meeting with land owner and City to establish target uses and development parameters
- Background and code analysis
- Concept plan development
- Meeting with land owner and City
- Land Use Designations and Zoning
- Draft Study
- Presentation at a Planning Commission & City Council
- Final Study
**Traffic Impact Analysis:** Three elements of the traffic impact analysis are assumed:

- The traffic impact analysis will conduct level of service and other impact analyses for one No Action alternative and one Preferred alternative. No travel demand modeling will be required for future transportation analysis; however, this scope assumes that future baseline (No Action) traffic volume forecasts in the study area will be based upon available transportation model data provided by the City.

- Qualitative impact assessment will also be conducted for transit, non-motorized modes, site access and circulation, and safety.

- The effort will also include a qualitative assessment of the transportation infrastructure and services that would be needed to support the refined land use concept plan, including roadways and non-motorized infrastructure. This task will include assessment of the land use concept with respect to City design standards, level of service standards, and other applicable policies.

**Subject Matter Experts:**
Biologist effort includes consultation on County regulations and application of the Phase 1 Northern Gateway Study Findings to assist the Planning Study. Engineering consultant to provide expertise to the refined land use concept in terms of infrastructure needs determined in Phase 1 and to contribute to Planning Study consistent with budgeted level of effort.
City of Covington North Area Planning Study

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Schedule Prepared: November 14, 2012
SUBJECT: CONSIDER WRITING-OFF UNCOLLECTIBLE FEDERAL AND COUNTY SURFACE WATER MANAGEMENT DRAINAGE UTILITY ACCOUNTS RECEIVABLE

ATTACHMENT(S):
1. Agenda item 2 from September 28, 2010
2. Minutes from September 28, 2010
3. List of proposed accounts receivable write-off’s

RECOMMENDED BY: Rob Hendrickson, Finance Director

EXPLANATION:
During the September 28, 2010 city council meeting, the City Council was presented with the results from the Surface Water Management (SWM) drainage utility audit. At that time, there were five federal properties that were found to have declined to pay the SWM fee based on the advice of their legal counsel: the Bonneville Power Administration, which had four parcels, and the U.S Postal Service which had one parcel. Since that time one more parcel owned by King County Roads has been added.

Council consensus during the September 28, 2010 meeting was to not pursue past billings with the above entities and instead move forward with collection in 2011 and beyond. All three entities paid the fees in 2011. Public Works is in the process of following up on their 2012 fees.

This blue sheet would allow the Finance Department to remove the past billings for the three entities from the City’s financial statements. The total amount of write-off would be $900,066.93 and would cover the billings from 1998-2010. Attached is a list of the amount owed from each entity by parcel and year.

Beginning in 2012, the SWM Fund accounting structure is converting to an enterprise fund. One of the accounting requirements of becoming an enterprise fund is to recognize all revenues as they become measurable not when they are received. What this means is that as part of the conversion if we don’t write off the uncollectible amount above we would need to fully recognize the uncollectible amount as revenue in the SWM Fund. This would distort the financial picture by overstating revenues that will not actually be received.

ALTERNATIVES:
1. The Council could decide not to write-off the uncollectible accounts and continue to carry them on the City’s financial statements.

FISCAL IMPACT:
This would reduce the City’s tax receivable and deferred revenue accounts by $900,066.93.
Councilmember __________ moves, Councilmember __________ seconds, to make a motion to write-off $900,066.93 in uncollectible accounts receivable.
SUBJECT: CONSIDERATION OF FINDINGS FROM AN AUDIT OF THE SURFACE WATER ACCOUNTS.

RECOMMENDED BY: Derek Matheson, City Manager

ATTACHMENT(S):
1. Summary of findings from a review of the Surface Water Accounts

PREPARED BY: Glenn Akramoff, Public Works Director

EXPLANATION:
The City of Covington has contracted with King County to provide billing services for the Surface Water Utility. According to Chapter 13 of the Covington Municipal Code, the rates are divided into two categories, a flat rate and a sliding scale rate based on the percentage of impervious surface. The flat rate is for all “residential parcels” and “very lightly developed non-residential parcels” (less than 10% impervious). All other “non-residential parcels” have a varying rate from “Light (10-20% impervious)” to “Very Heavy (above 85% impervious)” depending on percentage of impervious surface over the entire parcel acreage. King County prepares the billings once each year and the amounts are included with the property tax statements. The information about each parcel, including land use, size, and impervious percentage has been previously determined by King County and used for the annual billing.

During a preliminary review of selected parcels, some inconsistencies in the data were discovered. Subsequently, the Public Works Department embarked on a more complete review of the surface water accounts.

The recent audit of the accounts included a review of each parcel within the City of Covington for the data necessary to develop appropriate fees. Very few inconsistencies were found in residential accounts. A few newly constructed homes had not yet been included in the accounts and three were inappropriately coded as residential. However, discrepancies found in the non-residential fees varied from minor to significant. In some cases, the area of the parcel from the Surface Water Accounts (from King County) did not match the King County Assessor’s records. Other differences were found in the impervious area of a parcel. The areas in the Assessor records appear to be more reliable than the Surface Water Account numbers. The Assessor area information was used to develop fees for all parcels.

Aerial photography from available sources was used to evaluate the impervious areas of each “non-residential” parcel. The King County iMap system measuring feature was used to evaluate the impervious area where discrepancies were apparent.
SUMMARY OF RESULTS

Private Commercial / Non-residential
Of the 100 existing private commercial accounts, 68 required updating and 32 were found to be consistent with current assessor records and impervious areas. Twelve commercial properties not listed in King County’s billing accounts were found to be improved and new accounts were developed.

Eleven Homeowner Association parcels and six TRACTS were not listed in the accounts but found to have impervious improvements. These parcels are granted a reduction in fees according to CMC 13.30.070, Rate Adjustments and Appeals. It allows fees for open space property to include only the impervious portion of the total area. King County does not have a current method to bill property listed as TRACTS (without a specific parcel number). Of the six TRACTS only one has a significant impact and that is the Timberlane Clubhouse.

Taxpayers with new or a significant increase in non-residential fees will be sent notification of the 2011 fees for their parcel.

Private Residential
As mentioned earlier, only three parcels that were listed as residential needed to be changed to non-residential uses. Also, 20 newly developed parcels needed to be added to the billing accounts. No other adjustments were needed.

Federal Commercial / Non-residential
Five Federal properties were found to have declined to pay the Surface Water Management fees based on advice of legal council. The Bonneville Power Administration (BPA) has four parcels, and the U.S. Postal Service has one parcel. Three of the BPA parcels were found to have inconsistent area records.

Other Government
The City of Covington had 11 parcel accounts for 2010. This included three commercial accounts for the City Maintenance Facility, Jenkins Creek Park and the property purchased for the Foss Roundabout and eight residential accounts including the skate park and properties purchased or donated for other right-of-way or surface water facilities. All but two of the original 11 City parcels were adjusted to reflect the current uses. Four additional City-owned parcels containing impervious improvements were identified and will be listed as commercial accounts. One of them actually contains a sanitary sewer lift station operated by Soos Creek Water and Sewer District.

The Covington Water District was found to have three parcel accounts and they required no adjustments.

The Kent School District has 12 active parcels. The seven schools are coded as commercial. The other five are residential. The surface Water Management fees for one residential parcel have been paid. The other 11 parcels have been listed as EXEMPT in the accounts and fees were not billed. Special provisions in CMC 13.30.070, Rate Adjustments and Appeals, allow fees for
school property to be reduced based on an evaluation of a school education program for surface and storm water management.

Soos Creek Water and Sewer District had one parcel in the commercial account list for the lift station at 18401 SE 262nd Place. Two additional lift station parcels were identified, one at Covington Elementary School and one in Wingfield. These are reported as new commercial accounts.

The Tahoma School District has one parcel within the City limits which consists of the Covington Aquatic Center. The property will be submitted as a new commercial account.

**ALTERNATIVES:**

Kent and Tahoma School Districts

The eleven active Kent School District parcels would ordinarily have generated nearly $116,500 in fees for 2010. However, because the district has been performing routine maintenance on the facilities for the school properties a rate adjustment is allowed. CMC 13.30.070, Rate Adjustments and Appeals, provides for a reduction in the Rate Class for appropriate surface and storm water facility maintenance. This provision allows the total of fees for all parcels to be reduced to about $63,200. Further fee reductions can be achieved by the school district with their submittal of a Surface Water Management education program for and a review by the City of Covington. This has not been done in the past.

The Tahoma School District has only the Aquatics Center property within the City. The fees for the property will likely be passed to the City.

The following are alternatives regarding the Kent School District based on the above:

1. Submit the revised account information to provide for billing the Kent School District for the reduced annual fees of about $63,200.
2. Evaluate the Kent School District Surface Water Management education program for a potential additional reduction of fees.
3. Continue to have King County evaluate the school exemption for Surface Water Management education and exempt schools and other school district property as they recommend.
4. Modify the existing Covington Municipal Code Chapter to provide an exemption to the Surface Water Management fees for schools.

**Prior Year Fees**

CMC 13.30.070, Rate Adjustments and Appeals, provides for adjusting fees for the prior three years. This includes disbursement and collection of fees billed in error. If authorized to collect fees from prior years, gross revenues could approach $100,000 for 2010 but would be less for earlier years. Cash flow needs for fees billed in error could be in the range of $200,000 to $300,000 as refund checks would probably go out before
a substantial portion of the potential revenue is collected. Not to mention, all of the anticipated additional revenue may not be collected.

If authorized, additional research would be needed to determine the year the improvements (added impervious surface) where developed in order to properly assess the various parcels. Also, negotiations with King County would be needed in order to determine costs to prepare invoice.

The following are alternatives for collecting fees from prior years based on the above information:

2. Choose to begin the revised billing beginning in 2011.

**FISCAL IMPACT:**
Depending on actions recommended by Council, the following options are possible:

1. Implementation of the audit results alone with the School Districts remaining exempt would result in an additional increase of approximately $49,000 in 2011 SWM revenue.
2. Implementation of the planned 3% increase on SWM rates and no other changes to the accounts would result in an increase of approximately $89,000 in 2011 revenue above 2010.
3. Removing the exemption from the School Districts and applying a discount as mentioned above, would result in an additional increase of approximately $60,000 in 2011 SWM revenue.

The above calculations do not include revenues that are currently not being paid by BPA and the Post Office.

The potential unanticipated revenue from prior years that may be sought is difficult to estimate given the issues noted in the alternatives.

**CITY COUNCIL ACTION:**

- Ordinance
- Resolution
- Motion
- **X** Other

**NO ACTION NECESSARY – DISCUSSION ITEM ONLY**

**REVIEWED BY:** City Manager; City Attorney, Finance Director
City of Covington  
Regular City Council Meeting Minutes  
Tuesday, September 28, 2010

(This meeting was recorded and will be retained for a period of six years from the date of the meeting).

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, September 28, 2010, at 7:03 p.m., with Mayor Margaret Harto presiding.

COUNCILMEMBERS PRESENT:
Margaret Harto, Mark Lanza, David Lucavish, Marlla Mhoon, Jim Scott, Wayne Snoey, and Jeff Wagner.

STAFF PRESENT:
Derek Matheson, City Manager; Glenn Akramoff, Public Works Director; Noreen Beaufriere, Personnel Manager; Rob Hendrickson, Finance Director; Kevin Klason, Covington Police Chief; David Nemens, Community Development Director; Sara Springer, City Attorney; Richard Hart, Planning Manager; Salina Lyons, Senior Planner; and Sharon Scott, City Clerk/Executive Assistant.

Mayor Margaret Harto opened the meeting with the Pledge of Allegiance.

APPROVAL OF AGENDA:
Council Action: Councilmember Wagner moved and Councilmember Scott seconded to approve the Agenda. Vote: 7-0. Motion carried.

PUBLIC COMMUNICATION:
Dr. Dick Stedry, Chief Business Officer, Kent School District, accepted a proclamation recognizing the week of October 17-23, 2010 as “Safe Schools Week” in Covington.
Battalion Chief Greg Markley, Kent Fire Department Regional Fire Authority, accepted a proclamation recognizing the week of October 3-9, 2010 as “Fire Prevention Week” in Covington.
Public Works Director Glenn Akramoff accepted a proclamation recognizing Saturday, October 23, 2010, as “Make a Difference Day” in Covington.
Planning Commission Vice-Chair Daniel Key accepted a proclamation recognizing October as “National Community Planning Month” in Covington.
Personnel & Human Services Analyst Victoria Throm accepted a proclamation recognizing October as “Domestic Violence Awareness Month” in Covington.

PUBLIC COMMENT:
Mayor Harto called for public comments.

Jack McCullough, on behalf of Valley Medical Center, thanked Planning Manager Richard Hart and staff for all the hard work on the downtown zoning code changes over the last two weeks. Mr. McCullough advised that he had an opportunity to look over some of the draft documents and wished to point out a few inconsistencies he noticed and some remaining
inquiries he had which included: 1) an inconsistency between the street type map in the zoning code and the street type map in the design guidelines in a draft document; 2) clarification on the ground floor retail requirement; 3) clarification on the 50 percent street frontage requirement; and 4) response as to whether an ambulance drop off area would be considered a drive through.

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

APPROVE CONSENT AGENDA:
C-1. Approval of Vouchers: Vouchers #24113-24182, in the Amount of $300,408.89, Dated September 7, 2010; Payroll Checks #8455-8461, Inclusive, Plus Employee Direct Deposits in the Amount of $136,515.24, Dated September 17, 2010.

Council Action: Councilmember Wagner moved and Councilmember Mhoon seconded to approve the Consent Agenda. Vote: 7-0. Motion carried.

REPORTS OF COMMISSIONS:
Youth & Family Services Commission - Chair Haris Ahmad reported on the August 12 and September 9, 2010 meetings.

Arts Commission – Chair Gregg Lobdell reported on the September 2 special meeting and September 9 joint meeting with the Parks & Recreation Commission.

Parks & Recreation Commission – Chair David Aldous reported on the September 9 joint meeting with the Arts Commission.

Economic Development Council – Co-Chair Hugh Kodama reported on the August 26 and September 23, 2010 meetings.

CONTINUED BUSINESS:

Planning Manager Richard Hart gave the staff report on this item including a summary of Council directions to staff from the last meeting. Mr. Hart broke down those directions to include: 1) adding emergency departments as a conditional use permit to the town center zone with certain conditions that would address location, the size of the building itself and the height, and to require a concept plan for any remaining ownership that went along with an emergency department; and 2) creating a two-acre minimum threshold for redevelopment of Covington Firs and Covington Township in the MHO zone and research language that would add a condition prohibiting leaving single family lots in between successive two-acre developments.

Mr. Hart then proceeded to review the adopting ordinance and exhibits, pointing out some of the major changes being made to emergency departments to include: 1) requiring the location west of 171th; 2) limiting the maximum site size of an emergency department to four acres and limiting the maximum square footage to 50,000 square feet; 3) limiting the stories to two stories in height; 4) requiring the parking to be located behind the building; 5) requiring the inclusion of public spaces; 6) an emergency department would have to meet all the other design requirements in the town center zone that were not specifically stated or excluded within those provisions; and
7) a concept site plan must be submitted for all the other property under similar ownership that deals with the future planned uses and phases of buildings.

Mr. Hart then reviewed the language changing Covington Firs and Covington Township redevelopment to two acres, stating that it is to be contiguous to a non-single family use of two acres or more, and any successive development shall not isolate single family lots or parcels less than two acres in size as a group between any subsequent developments.

Mr. Hart then reviewed the language requiring town center development over four stories have 80 percent of parking underground or within structures and not be fronting 171st; nursing care changing from permitted to non-permitted in the town center zone; and 168th Place and 165th Avenue being removed from the type II streets.

Mr. Hart then answered the four concerns Mr. McCullough spoke on during public comments stating: 1) type II streets on the map in the zoning code and the map in the design guidelines was a miscommunication and had been resolved; 2) intent was that ground floor retail not be required in a two-story emergency department and the oversight had been resolved; 3) an ambulance drop off is not considered a drive through; and 4) staff needed further Council direction on building street frontage and bringing the buildings out within five feet of the street front. Mr. Hart explained several options to Council.

Councilmembers discussed and asked questions, and staff provided answers.

City Manager Derek Matheson summarized the understanding of Council discussion as to be in favor of: 1) deleting the emergency clause from the ordinance as it will be adopted in time to publish; 2) deleting the ground floor retail requirement for emergency departments; 3) not changing the location requirements for emergency departments; and 4) staff correcting various errata identified.

Mr. Hart also clarified Council to be in favor of leaving the requirement as it is written that 50 percent of building frontage must be within five feet of the right of way on the east/west streets. Mr. Hart pointed out any applicant can request a variance due to special circumstances.

Council Action: Councilmember Wagner moved and Councilmember Snoey seconded to approve Ordinance No. 10-10 adopting new downtown zoning and development regulations in a revised Chapter 18.31; new design guidelines and standards for the downtown zoning districts; various land use text amendments to CMC Titles 14 and 18; and a new downtown zoning district map which includes a new R-18 multi-family zoning district. Vote: 7-0. Motion carried.

NEW BUSINESS:
2. Consider Audit Findings of Surface Water Accounts.

Public Works Director Glenn Akramoff gave the staff report on this item and requested Council direction on staff recommendations and Council’s opinion on policy issues.

Councilmembers asked questions, and Mr. Akramoff provided answers.
Council Action: There was Council consensus to direct staff to move forward on discussion with the school district but provide it with an exemption for this year and to also begin collection on all surface water accounts in 2011, moving forward from that point on.

COUNCIL/STAFF COMMENTS:
Councilmembers and staff discussed Future Agenda Topics and made comments.

City Manager Derek Matheson reminded Council of the temporary banner permit fee waiver that had been in effect all summer as a local economic stimulus program and mentioned that Mayor pro Tem Wagner had asked if it is possible to waive the current limit of 30 days in any one year period on the amount of time a temporary banner can be up. Mr. Matheson went on to state that staff researched and found that unlike the fees, the time limit is a code issue rather than an administrative issue, requiring Council action to change it. Mr. Matheson further stated that Council could change it temporarily without going through the full code amendment such as interim zoning versus permanent zoning. Mr. Matheson requested Council’s direction as to whether it wished staff to prepare a report and draft ordinance that would extend the 30 day limit to a larger number for a limited period of time so it can evaluate both the impact on business retention and on the appearance of the community and then decide whether to direct the Planning Commission to begin the process of a permanent change.

Mayor pro Tem Wagner suggested a 90 day limit.

Council Action: There was Council consensus to direct staff to prepare a report and draft ordinance and place this item on a future Council agenda.

PUBLIC COMMENTS:
Mayor Harto called for public comments.

Doug Mergenthaler, thanked Council for the work on the downtown zoning and its consideration in keeping the Valley Medical project moving forward. Mr. Mergenthaler mentioned he felt that the project will add jobs and excitement to the city. Mr. Mergenthaler also mentioned his concerns with business retention and his desire to continue discussion with councilmembers on assisting businesses in Covington become successful.

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

ADJOURNMENT:
There being no further business, the meeting was adjourned at 9:15 p.m.

Prepared by: Joan Michaud
Deputy City Clerk

Submitted by: Sharon Scott
City Clerk
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DISCUSSION OF FUTURE AGENDA TOPICS:

December 11, 2012 – City Council Regular Meeting

(Draft Agenda Attached)
CALL CITY COUNCIL REGULAR MEETING TO ORDER

ROLL CALL/PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

PUBLIC COMMUNICATION - NONE

PUBLIC COMMENT Persons addressing the Council shall state their name, address, and organization for the record. Speakers shall address comments to the City Council, not the audience or the staff. Public Comment is not intended for conversation or debate. Comments shall be limited to no more than four minutes per person and no more than ten minutes per group. If additional time is needed the city shall be notified in advance and background information shall be submitted in writing regarding the topic that will be addressed. The city reserves the right to deny any request, based on time constraints. Individuals may petition the City Clerk or the City Manager to appear on the agenda of a future study session as time allows for up to 15 minutes to address the council on specific issues or requests.*

APPROVE CONSENT AGENDA
C-1. Minutes: November 27, 2012 Regular Meeting (Scott)
C-2. Vouchers (Hendrickson)
C-3. Accept Woodbridge Final Plat (Hart/Lyons)
C-4. Execute an Agreement for Recycling Events for 2013 (Akramoff)
C-5. Pass Ordinance Adopting a 2012 Budget Amendment (Hendrickson)
C-6. Approve Architectural Contract (Thomas)

CONTINUED BUSINESS
1. Consider 2013 Legislative Agenda (Matheson)

NEW BUSINESS
2. Approve Interlocal Agreement with City of Kent for Fire Marshal, International Fire Code (IFC), and Fire Investigative Services (Hart)
3. Approve Contracts with BranBar LLC and Yarrow Bay for Northern Gateway Phase II (Hart)
4. Consider Right of First Offer to Purchase Covington Elementary School (Springer)
5. Consider Ordinance Adopting the CY2013 Operating and Capital Budget (Hendrickson)

COUNCIL/STAFF COMMENTS - Future Agenda Topics

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

EXECUTIVE SESSION – If Needed

ADJOURN
Any person requiring disability accommodation should contact the City of Covington at 253-480-2400 a minimum of 24 hours in advance. For TDD relay service, please use the state’s toll-free relay service (800) 833-6384 and ask the operator to dial 253-480-2400.