



AGENDA

SHORELINE CITY COUNCIL SPECIAL MEETING

Monday, July 25, 2016
5:45 p.m.

Conference Room 303 · Shoreline City Hall
17500 Midvale Avenue North

TOPIC/GUESTS: **Quality of Life Partners:** Kruckeberg Botanic Garden; Shoreline/Lake Forest Park Arts Council; Shoreline/Lake Forest Park Senior Center; and Shoreline Historical Museum

SHORELINE CITY COUNCIL REGULAR MEETING

Monday, July 25, 2016
7:00 p.m.

Council Chamber · Shoreline City Hall
17500 Midvale Avenue North

	<u>Page</u>	<u>Estimated Time</u>
1. CALL TO ORDER		7:00
2. FLAG SALUTE/ROLL CALL		
3. REPORT OF THE CITY MANAGER		
4. COUNCIL REPORTS		
5. PUBLIC COMMENT		
<i>Members of the public may address the City Council on agenda items or any other topic for three minutes or less, depending on the number of people wishing to speak. The total public comment period will be no more than 30 minutes. If more than 10 people are signed up to speak, each speaker will be allocated 2 minutes. Please be advised that each speaker's testimony is being recorded. Speakers are asked to sign up prior to the start of the Public Comment period. Individuals wishing to speak to agenda items will be called to speak first, generally in the order in which they have signed. If time remains, the Presiding Officer will call individuals wishing to speak to topics not listed on the agenda generally in the order in which they have signed. If time is available, the Presiding Officer may call for additional unsigned speakers.</i>		
6. APPROVAL OF THE AGENDA		7:20
7. CONSENT CALENDAR		7:20
(a) Minutes of Regular Meeting of June 13, 2016	<u>7a-1</u>	
(b) Approval of expenses and payroll as of July 8, 2016 in the amount of \$1,413,734.06	<u>7b-1</u>	
(c) Adoption of Ord. No. 748 – Amending the Zoning Map at 1540 NE 175 th Street From Residential 12-units Per Acre (R-12) to Residential 24-units Per Acre (R-24)	<u>7c-1</u>	
(d) Adoption of Ord. No. 749 – Increasing the Appropriations in the 2016 Equipment Replacement Budget	<u>7d-1</u>	
(e) Authorize the City Manager to Execute the Expedited Permitting and Reimbursement Agreement with Sound Transit for the Lynnwood Link Project	<u>7e-1</u>	
(f) Authorize the City Manager to Enter Into a Contract with Woolpert,	<u>7f-1</u>	

Inc. in the Amount of \$156,476 for the Implementation of
Cityworks for Parks and Recreation and Ronald Wastewater

8. ACTION ITEMS

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| (a) Adoption of Res. No. 389 – Levy Lid Lift Renewal | <u>8a-1</u> | 7:20 |
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9. STUDY ITEMS

- | | | |
|---|-------------|------|
| (a) Discussion of Right-of-Way Landscape Services | <u>9a-1</u> | 7:50 |
| (b) Aurora Corridor Project Update – Budget Savings | <u>9b-1</u> | 8:40 |

10. ADJOURNMENT

9:00

The Council meeting is wheelchair accessible. Any person requiring a disability accommodation should contact the City Clerk's Office at 801-2231 in advance for more information. For TTY service, call 546-0457. For up-to-date information on future agendas, call 801-2236 or see the web page at www.shorelinewa.gov. Council meetings are shown on Comcast Cable Services Channel 21 and Verizon Cable Services Channel 37 on Tuesdays at 12 noon and 8 p.m., and Wednesday through Sunday at 6 a.m., 12 noon and 8 p.m. Online Council meetings can also be viewed on the City's Web site at <http://shorelinewa.gov>.

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF REGULAR MEETING

Monday, June 13, 2016
7:00 p.m.

Council Chambers - Shoreline City Hall
17500 Midvale Avenue North

PRESENT: Mayor Roberts, Deputy Mayor Winstead, Councilmembers McGlashan, Scully, Hall, McConnell, and Salomon

ABSENT: None

1. CALL TO ORDER

At 7:00 p.m., the meeting was called to order by Mayor Roberts who presided. Mayor Roberts called for a moment of silence for the victims of the tragic shooting in Orlando, Florida. He expressed that our hearts and minds are with everyone affected.

2. FLAG SALUTE/ROLL CALL

Mayor Roberts led the flag salute. Upon roll call by the City Clerk, all Councilmembers were present.

Mayor Roberts recognized outgoing Parks, Recreation and Cultural Services Youth Board Member Lauren Smith for her contribution to the City. He thanked her for her valuable service to the City and presented her with a clock as an expression of the City's appreciation.

Ms. Smith thanked the Park Board for the opportunity to serve the City and said she enjoyed learning about municipal government and that she met a lot of nice people.

(a) Proclamation of Shoreline State Champions Day

Mayor Roberts read a proclamation declaring June 13, 2016 Shoreline State Champions Day. A host of students, coaches, and administrators from King's School, and Shorecrest and Shorewood High Schools were on hand to receive the proclamation and take photographs with the City Council.

3. REPORT OF CITY MANAGER

Debbie Tarry, City Manager, provided reports and updates on various City meetings, projects and events.

4. COUNCIL REPORTS

Mayor Roberts reported that the Lake Forest Park City Council attended the Shoreline City Council Dinner meeting and discussed issues of mutual concern, including SR 522 and SR 523 planning.

5. PUBLIC COMMENT

Lisa Gallucci, Financial Sustainability Citizen Advisory Committee Member, said she supports a levy lid lift at \$1.48 and commended the Council for prudently spending tax dollars.

John Thielke, Financial Sustainability Citizen Advisory Committee Member, said he supports a levy lid lift at \$1.60 and will also support \$1.48. He complimented staff for their support and said he learned what the City does.

Brad Lancaster, Shoreline resident, spoke about the City of Santa Ana's anti-camping Ordinance and subsequent court rulings. He said it shows that cities will go to great distances to be unwelcoming and discriminate against the homeless. He asked the Council not to take Santa Ana's approach to homelessness.

Tom Mailhot, Save Richmond Beach, thanked staff for this morning's discussion regarding the Comprehension Docket Plan Amendments. He is in agreement to add the *new* Amendment 17, but expressed concern with the data used to develop it. He said he is withdrawing Amendments 9 and 10 from further consideration. He addressed Amendment 6 and commented that any annexation of Point Wells exclusively to Shoreline is unlikely, but could be pursued in a joint annexation with Woodway, and should be included on the Docket.

Tom McCormick, Shoreline resident, also thanked staff for their assistance. He agreed to withdraw Amendment 7 and said Amendment 8 memorializes Richmond Beach Road west of 8th with a vehicle/capacity (v/c) of .90 applied and measured at any point on Richmond Beach Road. He said he supports Amendment 17 and believes that v/c of .65 and a capacity of 700 vehicles per hour per lane is too high. He recalled the resolution passed to maintain a 4,000 trip limit and agreed with Mr. Mailhot's provision regarding Amendment 6. He asked Councilmember Hall to recuse himself from all Point Wells matters.

Mike Dee, Lake Forest Park, commented that Cedarbrook Elementary presents a great opportunity for a community center.

6. APPROVAL OF THE AGENDA

The agenda was approved by unanimous consent.

7. CONSENT CALENDAR

Upon motion by Councilmember McConnell and seconded by Councilmember Hall and unanimously carried, 7-0, the following Consent Calendar items were approved:

- (a) Minutes of Regular Meeting of May 9, 2016, Regular Meeting of May 16, 2016 and Special Meeting of May 23, 2016**

(b) Approval of expenses and payroll as of May 27, 2016 in the amount of \$1,839,373.75

***Payroll and Benefits:**

Payroll Period	Payment Date	EFT Numbers (EF)	Payroll Checks (PR)	Benefit Checks (AP)	Amount Paid
4/24/16-5/7/16	5/13/2016	66267-66448	14358-14367	63477-63482	\$474,402.34
					<u>\$474,402.34</u>

***Wire Transfers:**

Expense Register Dated	Wire Transfer Number	Amount Paid
5/26/2016	1108	\$2,503.34
		<u>\$2,503.34</u>

***Accounts Payable Claims:**

Expense Register Dated	Check Number (Begin)	Check Number (End)	Amount Paid
5/10/2016	63361	63370	\$8,056.83
5/11/2016	63371	63378	\$17,866.54
5/11/2016	63379	63388	\$49,889.44
5/12/2016	63389	63390	\$850.00
5/17/2016	63391	63391	\$2,912.77
5/19/2016	63392	63404	\$22,764.49
5/19/2016	63405	63432	\$526,843.84
5/19/2016	63433	63439	\$480.87
5/19/2016	63440	63459	\$131,089.15
5/19/2016	63460	63476	\$315,855.53
5/20/2016	63433	63433	(\$72.00)
5/20/2016	63483	63483	\$72.00
5/20/2016	63484	63485	\$47,574.90
5/25/2016	63486	63493	\$48,824.10
5/25/2016	63494	63517	\$36,348.75
5/26/2016	63518	63536	\$89,163.46
5/26/2016	63537	63546	\$63,947.40
			<u>\$1,362,468.07</u>

(c) Adoption of Res. No. 382 - Establishing New Recreation Scholarship Program Policies and Procedures

(d) Adoption of Res. No. 369 - Surplus of Vehicles and Equipment in Accordance with Shoreline Municipal Code 3.50.030(B)

8. ACTION ITEMS

- (a) Appointment of Elroni Shuge as a Youth Member to the Shoreline Library Board

Eric Friedli, Parks, Recreation and Cultural Services Director, shared that staff received three applications for the Library Board Youth Member position and after conversations with applicants, staff recommends that Elroni Shuge be appointed to the Library Board effective September 1, 2016 and expiring June 30, 2017, with the option to renew additional one-year terms for a maximum of four terms.

Councilmember McGlashan moved to waive Council Rules of Procedure Section 2.4 and appoint Elroni Shuge as a youth member to the Shoreline Library Board effective September 1, 2016 through June 30, 2017, with the option to renew additional one-year terms for a maximum of four terms. The motion was seconded by Councilmember McConnell.

Councilmember McGlashan expressed appreciation for Ms. Shuge participating in the Community.

The motion passed unanimously, 7-0.

- (b) Appointment of Natalia Ablao Sandico and Gillian Lauter as Youth Members to the Shoreline Parks, Recreation and Cultural Services/Tree Board

Eric Friedli, Parks, Recreation and Cultural Services (PRCS) Director, shared that staff received seven applications for two PRCS Youth Member positions, and after interviewing the applicants, staff recommends the appointment of Natalia Ablao Sandico and Gillian Lauter to the PRCS/Tree Board effective September 1, 2016 and expiring June 30, 2017 with the option to renew additional one-year terms for a maximum of four terms.

Deputy Mayor Winstead moved to waive Council Rules of Procedure Section 2.4 and appoint Natalia Ablao Sandico and Gillian Lauter as youth members to the Shoreline Parks, Recreation and Cultural Services/Tree Board effective September 1, 2016 through June 30, 2017, with the option to renew additional one-year terms for a maximum of four terms. The motion was seconded by Councilmember Hall.

Deputy Mayor Winstead thanked the candidates for their applications and said their resumes are impressive. She expressed the importance of having people with diverse background pursuing careers in the Parks Department. Councilmember McConnell also extended thanks to the applicants' parents for their support.

Mayor Roberts extended thanks to all the applicants and said he looks forward to the youth members' input.

The motion passed unanimously, 7-0.

- (c) Motion to Approve the 2016 Comprehensive Plan Amendment Docket

At 7:50 p.m. Mayor Roberts convened a five minute recess and at 7:55 p.m. the meeting was reconvened.

Steve Szafran, Senior Planner, and Kendra Dedinsky, City Traffic Engineer, provided the staff report. Mr. Szafran reviewed the Annual Docket Process. He said there are 17 proposed Amendments, 11 submitted by the public, and 6 by staff. He presented the proposed amendments are:

- Amendment 1 – Amend Policy LU47 which considers annexation of 145th Street adjacent to the southern border of the City.
- Amendment 2 – Consider amendments to the Point Wells Subarea Plan that may have applicability to reflect the outcomes of the Richmond beach Traffic Corridor Study.
- Amendment 3 – Amends the Parks, Recreation, and Open Space Element that addresses park impact fees, locations of new parks in the light rail station subareas, and determination of park per new resident ratio.
- Amendment 4 – Amend Transportation Policy T-44 – Adopt a v/c ratio of .90 for Collector Arterial Streets.
- Amendment 5 – Clean-up of Land Use Policies 63, 64, 65, 66, and 67.
- Amendment 6 – Amend language in Point Wells Subarea Plan Policy PW-1 by limiting the scope of the Future Service Annex Area (FSAA) if a second access road is constructed.
- Amendment 7 – Amend the introductory language leading up to the Point Wells Subarea Plan Policy PW-11.
- Amendment 8 – Adds a limitation to Policy PW-12 that trips to/from Point Wells shall not exceed the spare capacity of Richmond Beach Road.
- Amendment 8 with additional language– As a separate limitation in addition to the foregoing, the maximum number of vehicle trips a day entering the City’s road network from/to Point Wells shall not exceed the spare capacity of Richmond Beach Road west of 8th Avenue NW under the City’s .90 V/C standard based on Richmond Beach Road being a 3-lane road (the .90 V/C standard may not be exceeded at any location west of 8th Avenue NW along Richmond Beach Road).
- Amendment 9 – Amends Transportation Policy T-44 by adding a requirement that no through movement through an intersection shall be less than LOS E.
- Amendment 10 – Amends Transportation Policy T-44 by adding no more than one leg of an intersection may have a V/C Ratio greater than .90.
- Amendment 11 – Amends the Introduction Section of the Comprehensive Plan by adding a new Framework Goal #1.
- Amendments 12, 13, and 14 add language to the Citizen Participation Policies in the Introduction Section of the Comprehensive Plan.
- Amendment 15 – Adds language to Land Use Element Policy LU31 by adding additional public hearing and notice for certain Council actions.
- Amendment 16 – Amends the Southeast Neighborhoods Subarea Plan to move policies to the proposed 145th Street Station Subarea Plan, change text, and amend the Plan borders to avoid overlap with the 145th Street Station Subarea Plan.

- Amendment 17 – Adopt a volume to capacity ratio (V/C) of .65 or lower for Richmond Beach Drive north of NW 196th Street, assuming a roadway capacity of 700 vehicles per hour per lane for an improved roadway consistent with pedestrian and bike standards and a v/c ratio not to exceed .90 on Richmond Beach Road, measured at any point, west of 8th Avenue NW assuming a three-lane roadway consistent with the City’s Transportation Master Plan and Capital Improvement Plan. The applicable v/c standards shall not be exceeded on either of these road segments.

Mr. Szafran stated that staff recommends including Amendments 1, 2, 3, 4, 5, 8 (amended), 16 and 17 on the 2016 Docket, and noted that applicants are requesting to withdraw amendments 7, 9, and 10.

Councilmember Scully moved to adopt the 2016 Docket with Amendments 1 – 6, Amendment 8 as amended by staff, and Amendment 11. The motion was seconded by Councilmember McConnell.

Deputy Mayor Winstead stated that she will be abstaining from voting on Amendments 6, 8 and 17.

Councilmember Salomon asked clarifying questions regarding Amendment 6. He asked about the impact it would have on negotiating an agreement with Woodway if it is not placed on the 2016 Docket, and downsides of including it. Ms. Tarry responded that not having it on the Docket will not prevent the City from negotiating an agreement with Woodway, and including it now may contain things that the Council has not decided on at this point.

Councilmember McGlashan moved to amend the motion to remove Amendment 6. The motion was seconded by Councilmember Salomon.

Councilmember McGlashan said there is no guarantee of a 2nd access road through Woodway and that excluding Amendment 6 from the Docket would not deter further discussions with the City of Woodway.

The motion passed 4-2-1 with Councilmembers McConnell and Scully voting no, and Deputy Mayor Winstead abstaining.

Councilmember McGlashan moved to amend the main motion to include Amendment 16. The motion was seconded by Councilmember Scully.

Councilmember McGlashan stated it is important to clean up boundaries and prevent the overlapping of the Southeast Neighborhood Plan and the 145th Street Station Subarea Plan.

The motion passed unanimously, 7-0.

Councilmember McConnell moved to add Amendment 17. The motion was seconded by Councilmember McGlashan.

Councilmember McConnell said the Amendment provides the Community assurance that the City will study a v/c ratio of .65 or lower for Richmond Beach Drive and would not exceed .90 on Richmond Beach Road measured at any point west of 8th Ave. Councilmember McGlashan asked how other parts of the City will be impacted by having a v/c ratio lower than .90 in this area. Ms. Dedinsky replied there are no other areas in the City with a v/c ratio lower than .90, and explained it adds supplemental protection from Point Wells traffic on Richmond Beach Drive. Councilmember Scully commented that a citywide v/c ratio is not necessary and noted there are certain streets that have unique problems that need to be addressed. He asked if the City would be obligated to the number of 700 vehicles per hour, or should it be 700 vehicles “or less”. Ms. Dedinsky responded that 700 vehicles per hour per lane is consistent with a mitigated roadway, and said adding “or less” would be appropriate.

Councilmember Scully moved to amend the Amendment to add the words “or less” after vehicle per hour. The motion was seconded by Councilmember Salomon and passed 6-0-1, with Deputy Mayor Winstead abstaining.

Mayor Roberts asked if v/c ratios apply to local streets, how the current language in the Comprehensive Plan “4000 Average Daily Trip (ADT)” will be affected, and if there is an overlap between Amendments 17 and 8. Ms. Dedinsky replied that v/c ratios do not apply to local streets, and said the language in the Comprehensive Plan does not need to be changed. She agreed that there is redundancy and an overlap with Amendment 17 and 8, but explained the Amendments work together and highlight the need to enforce a v/c of .90 west of 8th. Councilmember Hall asked if overlaps will be studied and refined when final amendments are considered. Mr. Szafran responded yes and that the findings will be presented during Council’s discussion of the final amendments.

The motion to add Amendment 17 as amended to the 2016 Docket passed 6-0-1, with Deputy Mayor Winstead abstaining.

Councilmember Salomon asked why staff is recommending against adopting Amendment 11, and recalled that Council previously adopted a citizen participation plan. Mr. Szafran responded that staff is recommending against including Amendment 11 because they believe citizen participation is already sufficiently covered. Councilmember Hall agreed that citizen participation is covered. Councilmember Scully said he is deferring to the Planning Commission recommendation to include it. Mayor Roberts shared that including it would not change Council Policy, and it would not hurt to have it studied. He said he will not be supporting a motion to exclude it. Councilmember McGlashan said he will support a motion to exclude the Amendment because he believes it is already covered. Councilmember Salomon and Deputy Mayor Winstead commented that any time staff conducts a study that there is a cost to tax payers.

Councilmember Salomon moved to exclude Amendment 11 from the Docket. The motion was seconded by Councilmember Hall and passed, 4-3 with Mayor Roberts and Councilmembers Scully and McConnell voting no.

The main motion, as amended, passed unanimously, 7-0.

9. STUDY ITEMS

(a) 10 Year Financial Sustainability Plan Update

Sara Lane, Administrative Services Director, and Rick Kirkwood, Budget Supervisor, provided the staff report. Ms. Lane provided updates on strategies supporting the 10 Year Financial Sustainability Plan. She presented the strategies are: 1) Economic Development; 2) Reduce expenditure growth rate; 3) Increase investment returns; 4) Evaluate fees and cost recovery; 5) Replace General Fund support of Road Capital Fund; 6) Possible Implementation of a Business and Occupancy Tax; 7) Possible Levy Lid Lift renewal. She said her report will focus on Strategies 4-7. She reviewed the Cost Recovery Analysis for Planning & Community Development; dedicating a revenue source to the Annual Sidewalk Program; B & O efforts and recommendations; impacts the levy lid lift would have on residents; and how each strategy would impact the budget and the projected budget gap.

Councilmember Hall confirmed that the \$501 Levy Lid Lift Renewal paid over six-years is equivalent to \$84 per year.

Councilmember McGlashan asked if King County increases the vehicle license fee by \$20, would the City of Shoreline be prohibited from increasing fees. Ms. Tarry explained if the City did not implement the \$20 increase that King County's fee increase would have priority and the City could not administratively increase fees without a public vote.

Mayors Roberts said the Levy Lid Lift Renewal is scheduled for Council discussion on July 11, 2016.

(b) Discussion of Ord. No. 747 - Amending Chapter 13.14 of the Shoreline Municipal Code - Solid Waste Code

Lance Newkirk, Utilities Operations Manager, and Rika Cecil, Environmental Services Analyst, provided the staff report. Mr. Newkirk explained that Ordinance No. 747 proposes amendments to Shoreline Municipal Code Chapter 13.14 - Solid Waste to accommodate the new Recology contract's mandatory collection service. He shared that the amendments also provide a clear and concise new mandatory code definition of "residential property". He then presented the evaluative criteria for exemptions, samples of exemptions from other cities, and Situational Exemptions and Residential Property Exceptions.

Councilmembers discussed the language in the *new* Section 13.14.035 Mandatory Collection – Residential Property Exception B, and asked if it captures both the intent of allowing residents to self-haul and the requirement to pay for mandatory solid waste collection services.

Councilmember McGlashan suggested examining if residents in Shoreline use their business to discard their residential waste. Mr. Newkirk explained that adding new exemptions could require renegotiating the contract. Deputy Mayor Winstead asked how garbage suspension previously and currently works. Mr. Newkirk said the word "temporarily" has not yet been defined by the City and that Recology would have a better handle on the time frame of temporary or occasional disruption of service.

Mayor Roberts commented that the title of the section could be leading to some confusion, and pointed out that there are other provisions to the contract in addition to mandatory collection.

10. ADJOURNMENT

At 9:14 p.m., Mayor Roberts declared the meeting adjourned.

Jessica Simulcik Smith, City Clerk

DRAFT

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Approval of Expenses and Payroll as of July 8, 2016
DEPARTMENT:	Administrative Services
PRESENTED BY:	Sara S. Lane, Administrative Services Director

EXECUTIVE / COUNCIL SUMMARY

It is necessary for the Council to formally approve expenses at the City Council meetings. The following claims/expenses have been reviewed pursuant to Chapter 42.24 RCW (Revised Code of Washington) "Payment of claims for expenses, material, purchases-advancements."

RECOMMENDATION

Motion: I move to approve Payroll and Claims in the amount of \$1,413,734.06 specified in the following detail:

***Payroll and Benefits:**

Payroll Period	Payment Date	EFT Numbers (EF)	Payroll Checks (PR)	Benefit Checks (AP)	Amount Paid
6/5/16-6/18/16	6/24/2016	66827-67015	14390-14415	63837-63844	\$651,840.45
					<u>\$651,840.45</u>

***Wire Transfers:**

Expense Register Dated	Wire Transfer Number	Amount Paid
5/26/2016	1109	\$1,848.58
		<u>\$1,848.58</u>

***Accounts Payable Claims:**

Expense Register Dated	Check Number (Begin)	Check Number (End)	Amount Paid
6/27/2016	63783	63783	\$1,800.00
6/28/2016	63784	63784	\$504.00
6/29/2016	63785	63798	\$13,650.16
6/29/2016	63799	63816	\$132,730.41
6/29/2016	63817	63836	\$195,947.98
7/1/2016	63812	63812	(\$864.00)
7/6/2016	63845	63850	\$3,400.00
7/6/2016	63851	63856	\$19,036.02
7/6/2016	63857	63880	\$23,966.23
7/6/2016	63881	63885	\$17,046.85
7/7/2016	63886	63898	\$239,489.23
7/7/2016	63899	63911	\$113,338.15
			<u>\$760,045.03</u>

***Accounts Payable Claims:**

	Expense Register Dated	Check Number (Begin)	Check Number (End)	Amount Paid
Approved By: City Manager <i>DT</i>	City Attorney <i>MK</i>			

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	QUASI-JUDICIAL: Adoption of Ordinance No. 748 – Amending the Zoning Map at 1540 NE 175 th Street from Residential 12-units Per Acre (R-12) to Residential 24-units Per Acre (R-24)
DEPARTMENT:	Planning & Community Development
PRESENTED BY:	Steven Szafran, AICP, Senior Planner
ACTION:	<input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

Daniel Wick (Horizon View Homes) requests an application for approval for a rezone of property, 1540 NE 175th Street, from Residential 12-units per acre (R-12), a medium density residential zone, to Residential 24-units per acre (R-24), a high density residential zone, for the purpose of building six (6) townhomes.

Per SMC 20.30.060 this request is Type C permit and therefore is a quasi-judicial decision. The public hearing on this rezone was held by the Hearing Examiner which created the record for the basis of a recommendation to the City Council. As such, the City Council cannot hear any additional public comment on this item and should not have external discussion regarding this request with members of the public.

The Council discussed proposed Ordinance No. 748 (**Attachment A**) on July 11, 2016, and voiced no concerns with the ordinance. Tonight, proposed Ordinance No. 748 is scheduled for adoption.

RESOURCE/FINANCIAL IMPACT:

The proposed rezone will not have a direct resource or financial impact to the City. The rezone does have the potential to add up to seven dwelling units adding to the City's property tax base.

RECOMMENDATION

The Hearing Examiner and staff recommend that the Council adopt proposed Ordinance No. 748.

Approved By: City Manager **DT** City Attorney **MK**

BACKGROUND

The property owner proposes to rezone the property at 1540 NE 175th Street from R-12 to R-24 for the purpose of constructing six (6) townhomes. Per SMC 20.30.060 this request is Type C permit and therefore is a quasi-judicial decision. The public hearing on this rezone was held by the Hearing Examiner which created the record for the basis of a recommendation to the City Council (**Attachment B**). As such, the City Council cannot hear any additional public comment on this item and should not have external discussion regarding this request with members of the public.

Project Description

The Applicant's plans show six (6) attached townhomes oriented to the west side of the property with a common drive aisle on the eastern portion of the site. Landscape buffers are shown on the east, north, and west sides of the parcel (**Attachment C**).

Property Description

The site is an approximately 12,675 square foot lot (.29 acres) located in the North City area of the City (**Attachment D**). There is currently a vacant single-family home on the parcel. The site is relatively flat with no known critical areas present. The site has a number of significant trees and there are no sidewalks along NE 175th Street.

Zoning and Land Use

The site is located approximately 370 feet east of 15th Avenue NE in the North City Business District (**Attachment E**). The site itself is zoned R-12. The parcel to the west is zoned R-12 and is developed with a single-family home. The parcel to the north and east is zoned R-12 and is currently redeveloping with a 12-bed center for traumatic brain injuries. The parcels to the south, across NE 175th Street, are zoned R-6 and are developed with single-family homes. To the west, in close proximity to this site, is commercial development (CB Zoning District), including a Walgreens and Safeway.

The site and all of the surrounding parcels have a Comprehensive Plan Land Use designation of High-Density Residential (**Attachment F**). The High Density Residential designation is intended for areas near employment and/or commercial areas, where high levels of transit service are present or likely. This designation creates a transition between commercial uses and lower intensity residential uses. Some commercial uses may also be permitted. The permitted base density for this designation may not exceed 48 dwelling units per acre.

The current zoning of R-12 permits townhomes, however, this zoning district would permit the site to redevelop with only three (3) units. The proposed R-24 zoning also permits townhomes but would allow for greater redevelopment potential of seven (7) units.

The site is accessed by NE 175th Street which is classified as a Collector Arterial in the City's Transportation Master Plan.

Public Notice and Comment

Staff analysis of the proposed rezone considered information gathered from a pre-application meeting on March 1, 2016, a neighborhood meeting on November 30, 2015

(See **Attachment G** for neighborhood meeting summary), public comments, site visits, and various City documents.

As required by SMC 20.30.120 and 20.30.180, public notice of the rezone application for the proposal was posted on site, mailed to all residents within 500 feet (a total of 121 residents), advertised in the *Seattle Times*, and posted on the City's website on March 31, 2016 (**Attachment H**) and notice of public hearing for the proposal was posted on site, mailed to all residents within 500 feet (a total of 121 residents), advertised in the *Seattle Times*, and posted on the City's website on April 21, 2016 (See **Attachment I**).

The City received two public comment letters in response to the proposed rezone. These comments raised concerns regarding increased traffic, townhomes incompatible with existing single-family homes, lack of neighborhood parking, lack of sidewalks, and public health issues (See **Attachment J**).

Agency Comment

The Applicant's proposal was circulated among City departments and outside agencies for review and comment. The Public Works Department commented on the proposal and is requiring frontage and sidewalk improvements around the project site. The Applicant has submitted a Certificate of Water Availability from North City Water District and a Certificate of Sewer Availability from Ronald Wastewater District.

Environmental Review

The City of Shoreline is acting as Lead Agency for the SEPA review and environmental determination. The City issued a SEPA Determination of Non-Significance on April 21, 2016 (See **Attachment K**).

DISCUSSION

Rezoning is provided for in Shoreline Municipal Code (SMC) 20.30.320. The purpose of a rezone is a mechanism to make changes to a zoning classification, conditions or concomitant agreement applicable to property. Changes to the zoning classification that apply to a parcel of property are text changes and/or amendments to the official zoning map.

SMC 20.30.060 classifies a rezone as a Type C decision. Pursuant to Table 20.30.060, the City of Shoreline Hearing Examiner, after holding an open record public hearing and preparing findings and conclusions, makes a recommendation to the City Council. The City Council is the decision making authority on a Rezone.

Rezone Applications – Legal Standard

Three general rules apply to rezone applications: (1) there is no presumption of validity favoring a rezone; (2) the rezone proponent must demonstrate that circumstances have changed since the original zoning; and (3) the rezone must have a substantial relationship to the public health, safety, morals, and general welfare. *Citizens for Mount Vernon v. City of Mount Vernon*, 133 Wash. 2d 861, 947 P.2d 1208 (1997). However, as is the case for the present rezone application, when a proposed rezone implements the policies of a comprehensive plan, the rezone proponent is not required to

demonstrate changed circumstances. *Bjarnson v. Kitsap County*, 78 Wash. App. 840, 899 P.2d 1290 (1995).

The decision criteria set forth in SMC 20.30.320(B) address the other rules set forth by the courts for a rezone.

Decision Criteria – SMC 20.30.320(B)

Decision criterion that the Hearing Examiner must examine and the Council must approve for a rezone is set forth in SMC 20.30.320(B). The Applicant provided responses to the following decision criteria which are located in **Attachment L**.

SMC 20.30.320(B) provides that an application for a rezone of property may be approved or approved with modifications if:

1. The rezone is consistent with the Comprehensive Plan.

Applicant's Response:

The rezone request is a change from the existing zone of R-12 to the proposed zone of R-24. The Comprehensive Plan designation of the site is High Density Residential. The R-24 Zone is an implementing zone for the High Density Residential designation.

Comprehensive Plan Policy LU-3 reads, "The High Density Residential designation is intended for areas near employment and/or commercial areas, where high levels of transit service are present or likely. This designation creates a transition between commercial uses and lower intensity residential uses. Some commercial uses may also be permitted. The permitted base density for this designation may not exceed 48 dwelling units per acre".

The site lies a ½ block from the intersection of NE 175th Street and 15th Avenue NE, which is a local commercial area. 15th Avenue NE is a major mass transit corridor which serves a number of bus routes including routes 348, 347, and 77x. The proposal is keeping in with the Comprehensive Plan Policy of allowing densities of less than 48 dwelling units per acre.

Staff Analysis:

In addition to the policy stated by the Applicant, the proposed rezone also meets the following Goals and Policies:

Goal LU I: Encourage development that creates a variety of housing, shopping, entertainment, recreation, gathering spaces, employment, and services that are accessible to neighborhoods.

Goal LU II: Establish land use patterns that promote walking, biking and using transit to access goods, services, education, employment, recreation.

Goal LU V: Enhance the character, quality, and function of existing residential neighborhoods while accommodating anticipated growth.

LU8: Provide, through land use regulation, the potential for a broad range of housing choices and levels of affordability to meet the changing needs of a diverse community.

Goal CD I: Promote community development and redevelopment that is aesthetically pleasing, functional, and consistent with the City's vision.

T28. Encourage development that is supportive of transit, and advocate for expansion and addition of new routes in areas with transit supportive densities and uses.

Goal H II: Encourage development of an appropriate mix of housing choices through innovative land use and well-crafted regulations.

Goal H V: Integrate new development with consideration to design and scale that complements existing neighborhoods, and provides effective transitions between different uses and intensities.

H1: Encourage a variety of residential design alternatives that increase housing choice.

H3: Encourage infill development on vacant or underutilized sites.

H23: Assure that site, landscaping, building, and design regulations create effective transitions between different land uses and densities.

NE1. Promote infill and concurrent infrastructure improvements in areas that are already developed in order to preserve rural areas, open spaces, ecological functions, and agricultural lands in the region.

Based on the noted Comprehensive Plan Goals and Policies, the proposed rezone is consistent with the Comprehensive Plan.

2. The rezone will not adversely affect the public health, safety or general welfare.

Applicant's Response:

The rezone is consistent with the comprehensive plan. This being the case, the intensity and type of use is considered appropriate from a long range planning standpoint. This proposed use only changes the upper limit of allowed density for this site. Other regulatory requirements for the site remain to control environmental impacts. Likewise, other developmental factors which would affect the public health, safety, and general welfare are within the control of local, state, and federal regulations. The design and impacts of the project are therefore limited and mitigated by virtue of the legal requirements that will be placed upon its development.

Staff Analysis:

The subject property is located adjacent to NE 175th Street which is identified as a Collector Arterial in the City's Transportation Master Plan. The site is bounded on three sides by parcels that are zoned R-12 with a Comprehensive Plan Land Use designation of High Density Residential. The parcel to the north and east is a 12-bed rehabilitation center for individuals with traumatic brain injuries.

The proposed townhomes are an approved use in the R-24 zone and will be required to fully comply with the City's Development Code.

The rezone will not adversely affect the public health, safety or general welfare since the Applicant is not introducing a use that cannot already be developed on the site. Townhomes are an approved use in both the R-12 and R-24 zones. The rezone will allow the Applicant to develop seven (7) townhomes (the applicant is proposing six (6) townhomes) instead of 3 townhomes which are currently allowed in the existing zone.

3. The rezone is warranted in order to achieve consistency with the Comprehensive Plan.

Applicant's Response:

The rezone is consistent with the Comprehensive Plan. This rezone would increase potential density of the site to 24 units per acre. This designation is still only half the density considered appropriate for this location by the comprehensive plan.

Staff Analysis:

The rezone is warranted in order to achieve consistency with the Comprehensive Plan. Policy LU-3 states:

LU3: The High Density Residential designation is intended for areas near employment and/or commercial areas, where high levels of transit service are present or likely. This designation creates a transition between commercial uses and lower intensity residential uses. Some commercial uses may also be permitted. The permitted base density for this designation may not exceed 48 dwelling units per acre.

The proposed rezone to R-24 is warranted since the proposal meets Land Use Policy LU-3. The proposed R-24 Zone is in an area near employment, commercial areas, and where high levels of transit are present. The proposed R-24 zone creates a buffer between the commercial uses to the west and the low-density residential uses to the east. The R-24 zone does not exceed 48 dwelling units per acre.

4. The rezone will not be materially detrimental to uses or property in the immediate vicinity of the subject rezone.

Applicant's Response:

Intense commercial and residential development exists within ½ block of the site on 15th Avenue NE. Properties adjacent to these projects are in transition; change to more intense use is happening, and must have happened to accommodate the intense growth now being experienced by the City. This location was chosen for allocation of some of that growth. The impacts of increase traffic and need for mass transit is well served at this location. With multifamily and commercial uses existing so closely, the increase in density proposed is appropriate and should not have a negative impact on adjacent properties.

Staff Analysis:

The rezone will not be materially detrimental to uses or property in the immediate vicinity of the subject rezone. Any new development on the subject site will be required to comply with the City's Development Code, Stormwater Manual, Engineering Development Manual and other City codes that ensure the site will be developed with the latest building and engineering codes.

5. The rezone has merit and value for the community.

Applicant's Response:

The rezone is the implementation of the city vision for this area as established in its comprehensive plan. This location was chosen for allocation of the city's population growth. With existing commercial uses very close by; good access to major city arterials, highways and freeways; and with a mass transit corridor within a short walk, this is an ideal location for the proposal. The value to the community is found in locating of its population where the existing infrastructure can best serve the growth.

Staff Response:

The proposed rezone and subsequent development of townhomes has merit and value for the community. The proposed rezone is implementing the City's vision for this area as stated in the Comprehensive Plan. This location was chosen for allocation of the City's population growth. Existing commercial uses are in close proximity to the site and transit is a short walk from the site. The proposed development will be required to install full frontage improvements that include sidewalk, curb, gutter, and landscape/amenity zone adjacent to the sidewalk.

RESOURCE/FINANCIAL IMPACT

The proposed rezone will not have a direct resource or financial impact to the City. The rezone does have the potential to add up to seven dwelling units adding to the City's property tax base.

RECOMMENDATION

The Hearing Examiner and staff recommend that the Council adopt proposed Ordinance No. 748.

ATTACHMENTS

- Attachment A – Proposed Ordinance No. 748
- Attachment B – Hearing Examiner Decision
- Attachment C – Proposed Site Plan
- Attachment D – Vicinity Map
- Attachment E – Zoning Map
- Attachment F – Comprehensive Plan Land Use Map
- Attachment G – Neighborhood Meeting Summary
- Attachment H – Notice of Application
- Attachment I – Notice of Public Hearing
- Attachment J – Public Comment Letters
- Attachment K – SEPA Determination of Nonsignificance
- Attachment L – Applicant's Response to Decision Criterion

ORDINANCE NO. 748

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON
APPROVING THE HORIZON VIEW HOMES SITE-SPECIFIC REZONE
APPLICATION TO AMEND THE CITY'S OFFICIAL ZONING MAP
FROM R-12 TO R-24 FOR PROPERTY LOCATED AT 1540 NE 175th
STREET**

WHEREAS, the City of Shoreline is a non-charter optional municipal code city as provided in Title 35A RCW, incorporated under the laws of the state of Washington, and planning pursuant to the Growth Management Act, Title 36.70C RCW; and

WHEREAS, the applicant seeks a site-specific rezone of single tax parcel of 0.29 acres in size located at 1540 NE 175th Street, Tax Parcel 4024101295; and

WHEREAS, the request site-specific rezone would amend the City's Official Zoning Map for this parcel from its current zoning of Residential 12 units per acre (R-12) to Residential 24 units per acre (R-24); and

WHEREAS, the site-specific rezone implements the Comprehensive Plan land use designation for the parcel of High-Density Residential; and

WHEREAS, SMC 20.30.060 classifies a site-specific rezone as a Type C decision for which the City of Shoreline Hearing Examiner, after an open record public hearing, prepares findings and conclusions, and makes a recommendation to the City Council; and

WHEREAS, the environmental impacts of the site-specific zone resulted in the issuance of a Determination of Non-Significance (DNS) on April 21, 2016; and

WHEREAS, the City of Shoreline Hearing Examiner held a properly noticed open record public hearing on May 11, 2016; and

WHEREAS, on May 13, 2016, the City of Shoreline Hearing Examiner issued her "Findings, Conclusions and Recommendation," finding that the site-specific rezone satisfied the criteria set forth in SMC 20.30.320; and

WHEREAS, the City of Shoreline Hearing Examiner recommended approval of the site-specific rezone; and

WHEREAS, pursuant to SMC 20.30.060, the City Council has final decision making authority and this decision is to be made at a public meeting; and

WHEREAS, the City Council concurs with the May 13, 2016 "Findings, Conclusions, and Recommendation" of the City of Shoreline Hearing Examiner and determines that the site-specific rezone should approved;

**THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE,
WASHINGTON DO ORDAIN AS FOLLOWS:**

Section 1. Hearing Examiner’s Recommendation. The City of Shoreline Hearing Examiner’s May 13, 2016 Findings, Conclusion and Recommendation, attached as Exhibit A, is hereby adopted.

Section 2. Amendment. The City’s Official Zoning Map shall be amended to change the zoning designation for the property located at 1540 NE 175th Street Shoreline (Tax Parcel 4024101295), as depicted in Exhibit B, from Residential 12 units per acre (R-12) to Residential 24 units per acre (R-24).

Section 3. Publication and Effective Date. A summary of this Ordinance consisting of the title shall be published in the official newspaper. This Ordinance shall take effect five days after publication.

PASSED BY THE CITY COUNCIL ON JULY 25, 2016.

Mayor Christopher Roberts

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik-Smith
City Clerk

Margaret King
City Attorney

Date of Publication: , 2016

Effective Date: , 2016

**CITY OF SHORELINE HEARING EXAMINER
FINDINGS, CONCLUSIONS AND RECOMMENDATION**

PROPOSAL INFORMATION SUMMARY

Project: Horizon View Homes Rezone Application

File Number: 202135

Applicant: Laurey Tobiason for Daniel Wick

Property Location: 1540 NE 175th Street

Recommendation: Planning and Community Development Department:
Approve

Public Hearing: May 11, 2016

Introduction

The applicant seeks a rezone of property from R-12 to R-24 for construction of six attached townhomes. A public hearing on the application was held on May 11, 2016, in Council Chambers at Shoreline City Hall, 17500 Midvale Avenue North in Shoreline. The Planning and Community Development Department (“Department”) was represented by Steve Szafran, Senior Planner. The applicant, Daniel Wick, was represented by Laurey Tobiason. The Department’s Staff Report, with 10 attachments, was admitted into the record. The Hearing Examiner inspected the site following the hearing.

For purposes of this decision, all section numbers refer to the Shoreline Municipal Code (“SMC” or “Code”) unless otherwise indicated. After considering the evidence in the record, the Hearing Examiner enters the following findings of fact, conclusions and recommendation on the application.

Findings of Fact

1. The subject property is located approximately 370 feet east of 15th Avenue NE in the North City Business District. It is zoned R-12, as are the surrounding properties. It is relatively flat, with no identified critical areas.
2. The site and the parcel to the west are each developed with single-family residences. The parcel to the north and east of the site is currently being redeveloped with a 12-bed center for traumatic brain injuries. To the south, across NE 175th Street, is R-6 zoned property developed with single-family residences. To the west is a CB zoning district with commercial development.
3. The Comprehensive Plan Land Use designation for the site is High-Density Residential, which is intended for areas near employment and/or commercial areas, where high levels of

transit service are present or likely. The designation is intended to create a transition between commercial uses and lower intensity residential uses and also allows some commercial uses.

4. The site is accessed via NE 175th Street, which is designated a Collector Arterial. There are no sidewalks adjacent to the site. One-half block away is 15th Avenue NE, which is an arterial and a major transit corridor.

5. The range of densities within the Comprehensive Plan's High Density Residential designation is R-12 to R-48. Townhomes are a permitted use on the subject property. The existing R-12 zoning would allow redevelopment with three units. The proposed R-24 zoning would allow 6 units.

6. The Applicant seeks a rezone of the subject property to R-24 for purposes of constructing 6 attached townhomes, each of which would have parking space for two vehicles. Exhibit 1, attachment 1. The townhomes would be oriented to the west side of the property, with a common drive aisle on the east side. Landscape buffers are shown along the east, north and west sides of the property. The applicant will construct full frontage improvements.

7. The Staff Report recites the public notice and public involvement process for the application, as well as agency comment. Exhibit 1 at 2. The Department received two public comment letters expressing concern about a potential increase in traffic, lack of sidewalks, lack of neighborhood parking, incompatibility with single-family homes, and public health issues. Exhibit 1, attachment 8.

8. One member of the public testified at the public hearing on the proposal and expressed concern about the proposal adding vehicles to existing traffic and parking issues in the area, and the lack of sidewalks. The Department noted that the project would be fully reviewed for traffic concurrency, and that impact fees would be imposed if warranted.

9. The Department issued a SEPA Determination of Non-Significance for the proposal on April 21, 2016, which was not appealed. Exhibit 1, attachment 9.

10. The Department reviewed the proposal and recommends that the rezone be approved. Exhibit 1.

11. SMC 20.30.320 provides that a rezone may be approved if it meets the following criteria:

1. The rezone is consistent with the Comprehensive Plan; and
2. The rezone will not adversely affect the public health, safety or general welfare; and
3. The rezone is warranted in order to achieve consistency with the Comprehensive Plan; and

4. The rezone will not be materially detrimental to uses or property in the immediate vicinity of the subject rezone; and
5. The rezone has merit and value for the community.


Conclusions

1. The Hearing Examiner has jurisdiction to make a recommendation on this application pursuant to SMC 20.30.060.
2. Under Rule 3.6 of the Rules of Procedure for Administrative Hearings of the City of Shoreline, the applicant has the burden of establishing that the application complies with applicable laws and regulations.
3. Most of the public comments voiced concerns about existing traffic and parking issues in the area and an existing lack of infrastructure, such as sidewalks. These may be valid concerns, but existing conditions are seldom sufficient grounds on which to deny a proposal. That is particularly true in this case where: 1) the rezone is consistent with the Comprehensive Plan's designated density for the property; 2) the proposed development would be at the low end of the designation's density range; 3) The proposed development would provide a transition between single-family residential property on one side and nearby commercial uses on the other; and 4) the proposal will be required to meet all Code requirements.
4. The Department's Staff Report at pages 3-5 provides a thorough analysis of the application's consistency with each of the rezone criteria. That section of the Staff Report requires one correction. On page 5, #2, the last sentence of the fourth full paragraph is corrected to read as follows: "The rezone will allow the Applicant to develop six (6) townhomes instead of 3 townhomes which are currently allowed in the existing zone." As corrected, the Staff Report's rezone analysis is adopted by reference.
5. The application meets all the criteria for a rezone and should therefore be approved.

Recommendation

The Hearing Examiner recommends that the rezone application be approved.

Entered this 13th day of May, 2016.


Sue A. Tanner
Hearing Examiner

**BEFORE THE HEARING EXAMINER
CITY OF SHORELINE**

CERTIFICATE OF SERVICE

I certify under penalty of perjury under the laws of the State of Washington that on this date I sent true and correct copies of the attached **Findings, Conclusions, and Recommendation** to each person listed below, or on the attached mailing list, in the matter of **Horizon View Homes Rezone Application**, Project No.: **202135** in the manner indicated.

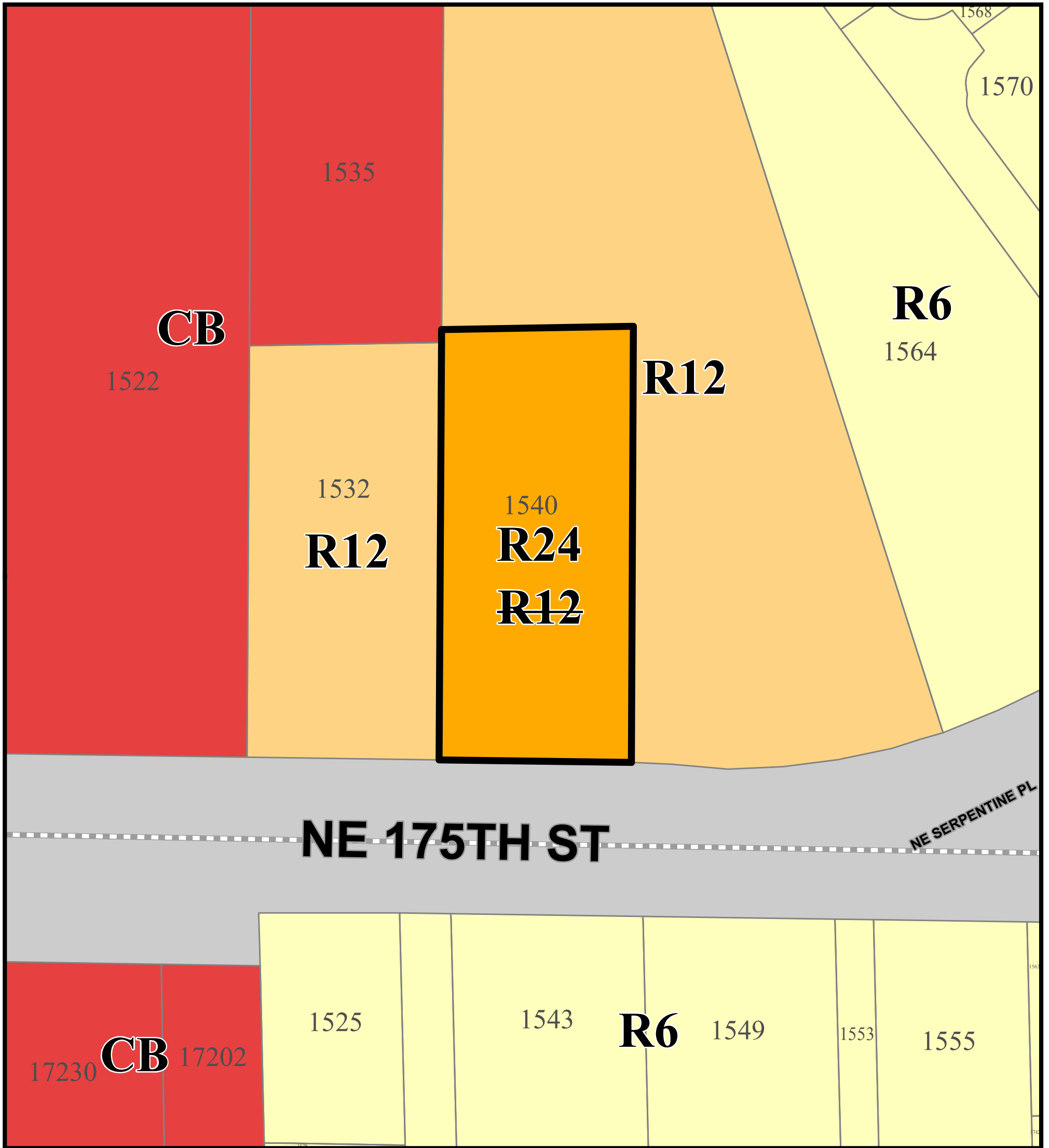
Party	Method of Service
Bonita Roznos City Clerk's Office City of Shoreline 17500 Midvale Ave N Shoreline, WA 98133 broznos@shorelinewa.gov	<input checked="" type="checkbox"/> U.S. First Class Mail, postage prepaid <input type="checkbox"/> Inter-office Mail <input checked="" type="checkbox"/> E-mail <input type="checkbox"/> Fax <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Legal Messenger

Dated: May 13, 2016

TK

Tiffany Ku
Legal Assistant


















Exhibit B



15040 NE 175th St Rezone

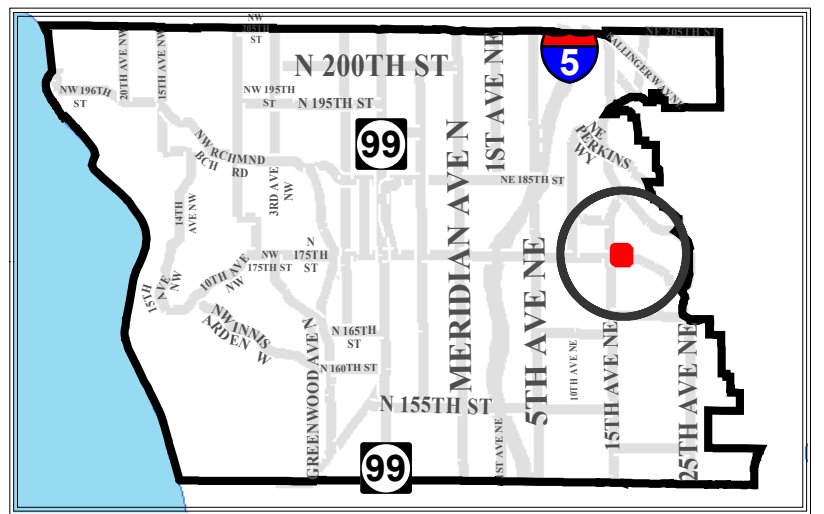
R-12 to R-24

Zoning Legend

 TC-1 to TC-4; Town Center	 CZ; Contract Zone
 MUR-70; Mixed Use Residential (70' height)	 R-48; Residential, 48 units/acre
 MUR-45; Mixed Use Residential (45' height)	 R-24; Residential, 24 units/acre
 MUR-35; Mixed Use Residential (35' height)	 R-18; Residential, 18 units/acre
 MB; Mixed Business	 R-12; Residential, 12 units/acre
 CB; Community Business	 R-8; Residential, 8 units/acre
 NB; Neighborhood Business	 R-6; Residential, 6 units/acre
 PA 3; Planned Area 3	 R-4; Residential, 4 units/acre
 C; Campus	

Feature Legend

 - Parcel Change	 - Unclassified ROW
 - City Boundary	 - Parcel Line



0 15 30 60 90 120 Feet

No warranties of any sort, including accuracy, fitness, or merchantability, accompany this product.

Representation of official zoning map adopted by City Ordinance No. 292. Shows amendments through June, 2016.



**CITY OF SHORELINE HEARING EXAMINER
FINDINGS, CONCLUSIONS AND RECOMMENDATION**

PROPOSAL INFORMATION SUMMARY

Project: Horizon View Homes Rezone Application

File Number: 202135

Applicant: Laurey Tobiason for Daniel Wick

Property Location: 1540 NE 175th Street

Recommendation: Planning and Community Development Department:
Approve

Public Hearing: May 11, 2016

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For purposes of this decision, all section numbers refer to the Shoreline Municipal Code (“SMC” or “Code”) unless otherwise indicated. After considering the evidence in the record, the Hearing Examiner enters the following findings of fact, conclusions and recommendation on the application.

Findings of Fact

1. The subject property is located approximately 370 feet east of 15th Avenue NE in the North City Business District. It is zoned R-12, as are the surrounding properties. It is relatively flat, with no identified critical areas.
2. The site and the parcel to the west are each developed with single-family residences. The parcel to the north and east of the site is currently being redeveloped with a 12-bed center for traumatic brain injuries. To the south, across NE 175th Street, is R-6 zoned property developed with single-family residences. To the west is a CB zoning district with commercial development.
3. The Comprehensive Plan Land Use designation for the site is High-Density Residential, which is intended for areas near employment and/or commercial areas, where high levels of

transit service are present or likely. The designation is intended to create a transition between commercial uses and lower intensity residential uses and also allows some commercial uses.

4. The site is accessed via NE 175th Street, which is designated a Collector Arterial. There are no sidewalks adjacent to the site. One-half block away is 15th Avenue NE, which is an arterial and a major transit corridor.

5. The range of densities within the Comprehensive Plan's High Density Residential designation is R-12 to R-48. Townhomes are a permitted use on the subject property. The existing R-12 zoning would allow redevelopment with three units. The proposed R-24 zoning would allow 6 units.

6. The Applicant seeks a rezone of the subject property to R-24 for purposes of constructing 6 attached townhomes, each of which would have parking space for two vehicles. Exhibit 1, attachment 1. The townhomes would be oriented to the west side of the property, with a common drive aisle on the east side. Landscape buffers are shown along the east, north and west sides of the property. The applicant will construct full frontage improvements.

7. The Staff Report recites the public notice and public involvement process for the application, as well as agency comment. Exhibit 1 at 2. The Department received two public comment letters expressing concern about a potential increase in traffic, lack of sidewalks, lack of neighborhood parking, incompatibility with single-family homes, and public health issues. Exhibit 1, attachment 8.

8. One member of the public testified at the public hearing on the proposal and expressed concern about the proposal adding vehicles to existing traffic and parking issues in the area, and the lack of sidewalks. The Department noted that the project would be fully reviewed for traffic concurrency, and that impact fees would be imposed if warranted.

9. The Department issued a SEPA Determination of Non-Significance for the proposal on April 21, 2016, which was not appealed. Exhibit 1, attachment 9.

10. The Department reviewed the proposal and recommends that the rezone be approved. Exhibit 1.

11. SMC 20.30.320 provides that a rezone may be approved if it meets the following criteria:

1. The rezone is consistent with the Comprehensive Plan; and
2. The rezone will not adversely affect the public health, safety or general welfare; and
3. The rezone is warranted in order to achieve consistency with the Comprehensive Plan; and

4. The rezone will not be materially detrimental to uses or property in the immediate vicinity of the subject rezone; and
5. The rezone has merit and value for the community.


Conclusions

1. The Hearing Examiner has jurisdiction to make a recommendation on this application pursuant to SMC 20.30.060.
2. Under Rule 3.6 of the Rules of Procedure for Administrative Hearings of the City of Shoreline, the applicant has the burden of establishing that the application complies with applicable laws and regulations.
3. Most of the public comments voiced concerns about existing traffic and parking issues in the area and an existing lack of infrastructure, such as sidewalks. These may be valid concerns, but existing conditions are seldom sufficient grounds on which to deny a proposal. That is particularly true in this case where: 1) the rezone is consistent with the Comprehensive Plan's designated density for the property; 2) the proposed development would be at the low end of the designation's density range; 3) The proposed development would provide a transition between single-family residential property on one side and nearby commercial uses on the other; and 4) the proposal will be required to meet all Code requirements.
4. The Department's Staff Report at pages 3-5 provides a thorough analysis of the application's consistency with each of the rezone criteria. That section of the Staff Report requires one correction. On page 5, #2, the last sentence of the fourth full paragraph is corrected to read as follows: "The rezone will allow the Applicant to develop six (6) townhomes instead of 3 townhomes which are currently allowed in the existing zone." As corrected, the Staff Report's rezone analysis is adopted by reference.
5. The application meets all the criteria for a rezone and should therefore be approved.

Recommendation

The Hearing Examiner recommends that the rezone application be approved.

Entered this 13th day of May, 2016.


Sue A. Tanner
Hearing Examiner

**BEFORE THE HEARING EXAMINER
CITY OF SHORELINE**

CERTIFICATE OF SERVICE

I certify under penalty of perjury under the laws of the State of Washington that on this date I sent true and correct copies of the attached **Findings, Conclusions, and Recommendation** to each person listed below, or on the attached mailing list, in the matter of **Horizon View Homes Rezone Application**, Project No.: **202135** in the manner indicated.

Party	Method of Service
Bonita Roznos City Clerk's Office City of Shoreline 17500 Midvale Ave N Shoreline, WA 98133 broznos@shorelinewa.gov	<input checked="" type="checkbox"/> U.S. First Class Mail, postage prepaid <input type="checkbox"/> Inter-office Mail <input checked="" type="checkbox"/> E-mail <input type="checkbox"/> Fax <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Legal Messenger

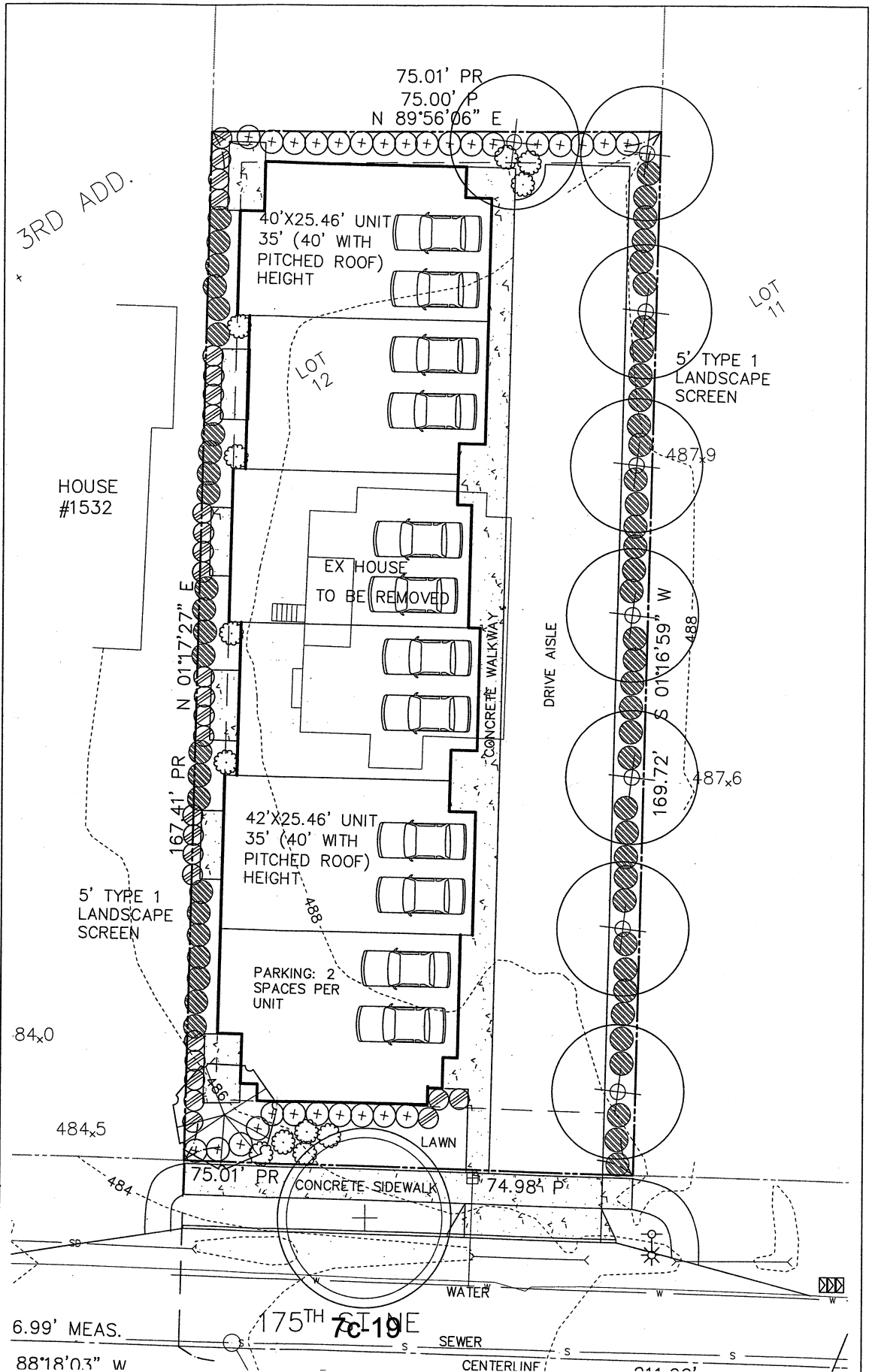
Dated: May 13, 2016

TK

Tiffany Ku
Legal Assistant

Site Plan

1540 NE 175th Street



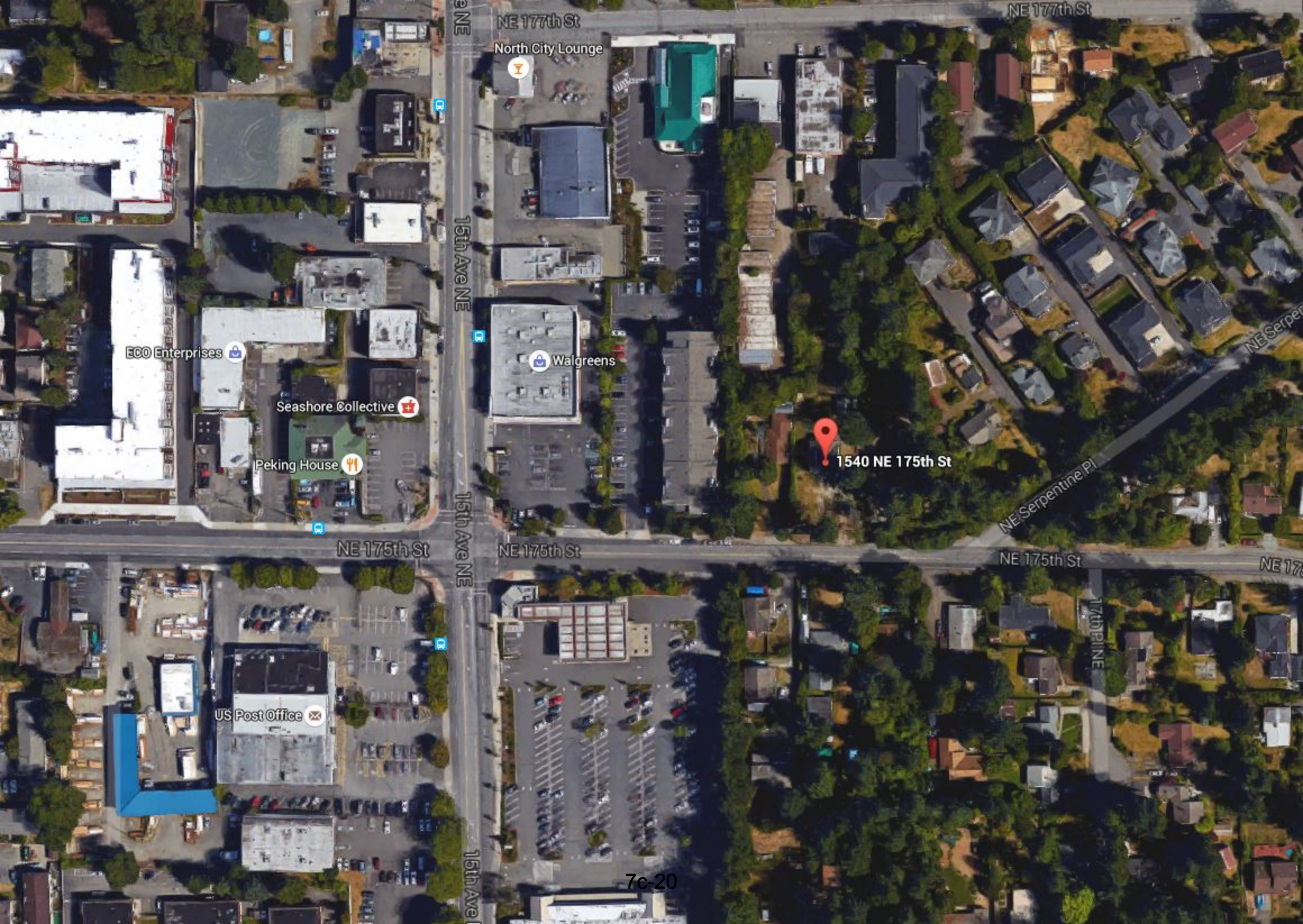
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SEWER

CENTERLINE



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North City Lounge

15th Ave NE

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ECO Enterprises

Seashore Collective

Peking House

Walgreens

1540 NE 175th St

NE 175th St

NE 175th St

NE 175th St

US Post Office

NE Serpentine Pl

7c-20



NE 177TH ST

NE 177TH ST

NE 177TH ST

15TH AVE NE

NE 175TH ST

NE SERPENTINE PL

17TH AVE NE

7c-21

CB

CB

R48

R18

R6

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CB

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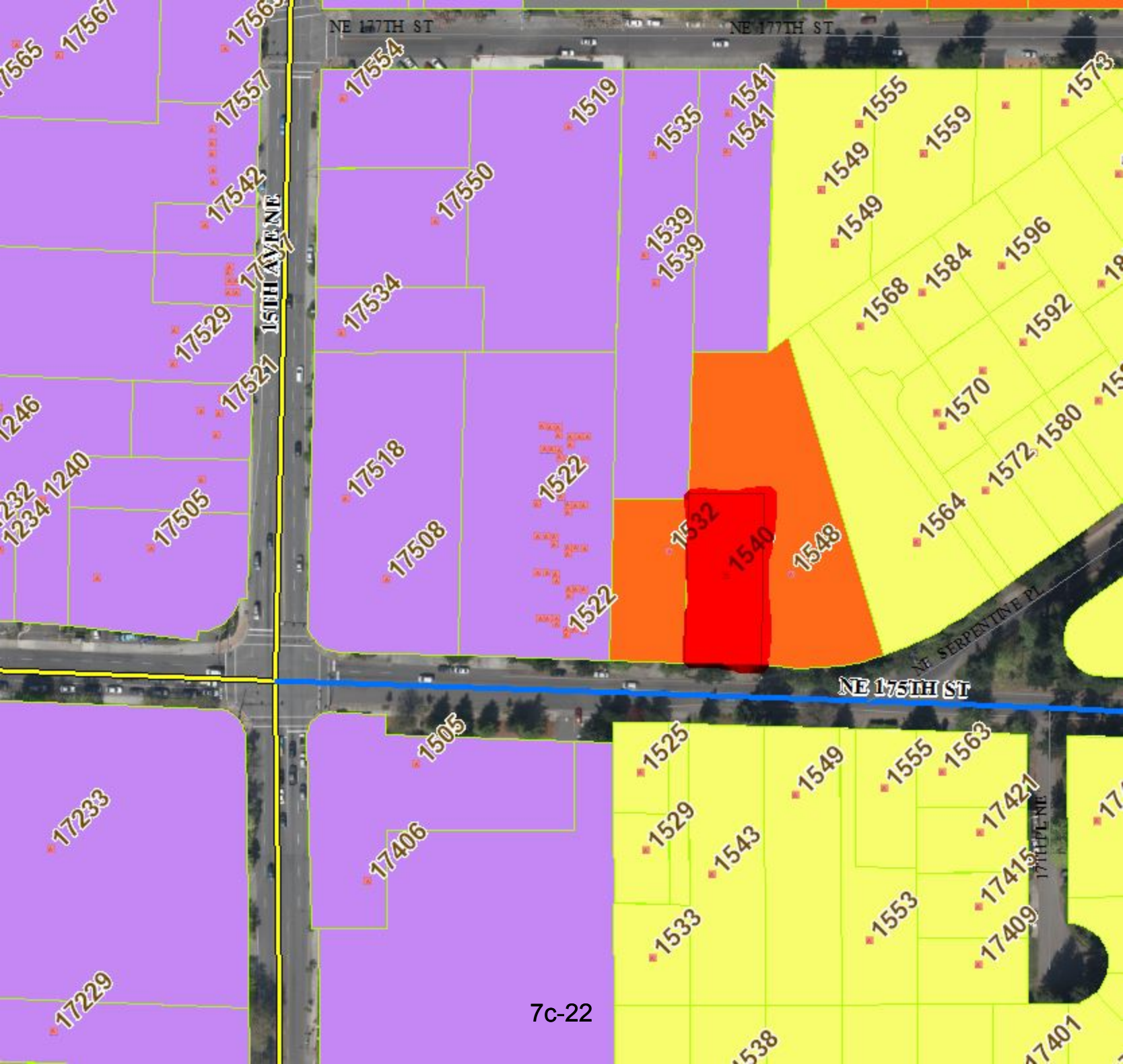
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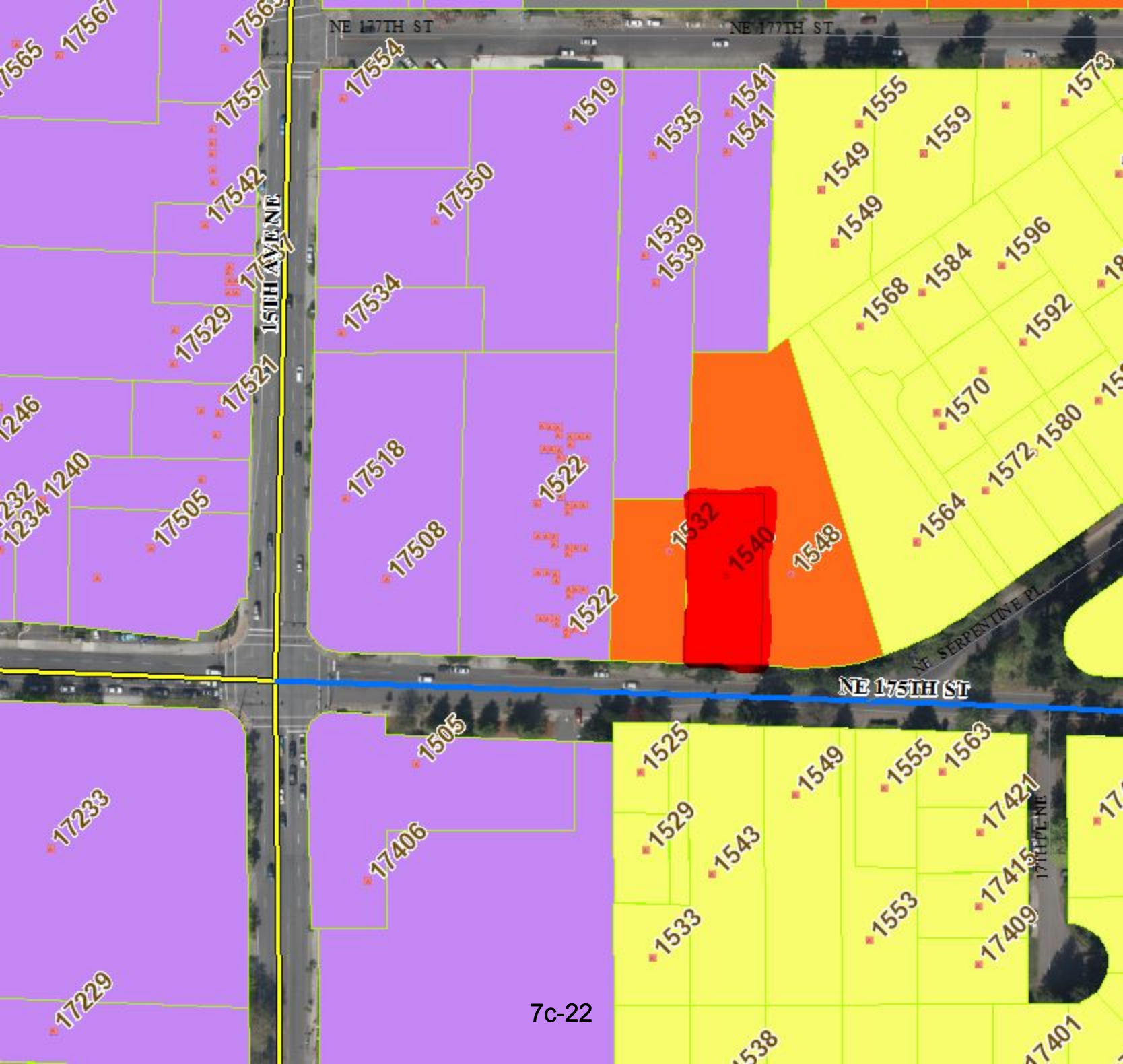
NE 177TH ST

15TH AVENUE

NE 175TH ST

NE SERPENTINE PL

7c-22



SUMMARY OF NEIGHBORHOOD MEETING

RECEIVED

MAR 16 2016

PCD

202135

City of Shoreline

Planning Department

17500 Midvale Ave N

Shoreline, WA 98133

RE: Rezone of 1540 NE 175th Street Shoreline WA 98155

RECEIVED
MAR 16 2016
PCD

March 15, 2016

202135

Meeting Summary

Neighborhood Meeting for proposed development located at 1540 NE 175th St Shoreline, WA 98155

A neighborhood meeting was held on 11/30/2015 @ 5:30pm

The following people were in attendance

- Robin C Oleary
17408 17th PI NE Shoreline Wa 98155

There was one concern brought up at the meeting in regards to landscaping. We intend to do landscaping, buffering in between the road and the building. There were no other concerns or issues raised at the meeting.

CORDIALLY,



*DANIEL WICK
PROPERTY OWNER*



November 19, 2015

RECEIVED
MAR 16 2016
PCD
202135

RE: Neighborhood Meeting Notice for
1540 NE 175th Street
Shoreline, WA 98155

Dear Neighbor,

Please come hear a presentation for a proposed development at 1540 NE 175th St, Shoreline, WA 98155 (Subject Property). At this meeting we will discuss the specific details and solicit comments on the proposal from the neighborhood.

MEETING INFORMATION

Proposal: Rezone of the subject property to high density residential use and development of a five unit townhouse project including garage parking.


Date: Monday, November 30th, 2015

Time: 5:30 p.m.

Location of Meeting: The meeting will be held at the Shoreline Conference Center in the Aurora Room, which is located at 18560 1st Ave NE, Shoreline, WA 98155

We look forward to seeing you there.

Cordially,


Daniel Wick, President
Horizon View Homes

The City of Shoreline Notice of Rezone Application including Optional SEPA DNS Process

Location, Application No., Type of Permit(s) Required and Project Description:

1540 NE 175th Street, #202135 Rezone Application, The applicant has requested to rezone a .29 acre site from Residential 12-units per acre (R-12) to Residential 24-units per acre (R-24) in order to construct 6 townhomes.

The City expects to issue a SEPA Determination of Nonsignificance. This may be the only opportunity to comment on the environmental impacts of this proposal.

The public comment period ends April 15, 2016 at 5:00 p.m. Please mail, fax (206) 801-2788 or deliver comments to City of Shoreline, Attn: Steven Szafran 17500 Midvale Avenue N, Shoreline, WA 98133 or email to sszafran@shorelinewa.gov@shorelinewa.gov.

Copies of the full notice of application, application materials including SEPA documents, and applicable codes are available for review at City Hall, 17500 Midvale Avenue N.



Notice of Public Hearing of the Hearing Examiner

Applicant, Application No., and Permit Requested: Horizon View Homes, #202135 Rezone Application.

Location & Description of Project: 1540 NE 175th Street. The applicant has requested to rezone a .29 acre site from Residential 12-units per acre (R-12) to Residential 24-units per acre (R-24) in order to construct 6 townhomes.

Threshold Determination: The City of Shoreline has issued a Determination of Nonsignificance (DNS) under the State Environmental Policy Act Rules (Chapter 197-11 WAC) for this project. There is no additional public comment for this DNS.

Interested persons are encouraged to provide oral and/or written comments regarding the above project at an open record public hearing. The hearing is scheduled for Wednesday, May 11, 2016 at 6:00 p.m. in the Council Chamber at City Hall 17500 Midvale Avenue N, Shoreline, WA.

Copies of the Notice of Application, SEPA Threshold Determination, application materials and applicable codes are available for review at City Hall, 17500 Midvale Avenue N.

Any person requiring a disability accommodation should contact the City Clerk at (206) 801-2230 in advance for more information. For TTY telephone service call (206) 546-0457. Each request will be considered individually according to the type of request, the availability of resources, and the financial ability of the City to provide the requested services or equipment.

NOTICE OF DISCLOSURE

The City of Shoreline will enter all comments received into the public record and may make these comments, and any attachments or other supporting materials, available unchanged, including any business or personal information (name, email address, phone, etc.) that you provide available for public review. This information may be released on the City's website. Comments received are part of the public record and subject to disclosure under the Public Records Act, RCW 42.56. Do not include any information in your comment or supporting materials that you do not wish to be made public, including name and contact information.

Steve Szafran

From: Crispin, Beth Ann <beth.crispin@seattlechildrens.org>
Sent: Wednesday, April 20, 2016 11:01 AM
To: Steve Szafran
Subject: Town Homes Rezone

Hello,

I received your letter about a notice of rezone for 1540 NE 175th Street in Shoreline. I am interested in learning more about the Townhomes that are going to be built there. Do you have any contact information for the builder? Thank you,

Sincerely,

Beth Crispin

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Steve Szafran

From: Ann Ocean <Ann.Ocean@awbank.net>
Sent: Thursday, April 14, 2016 10:04 AM
To: Steve Szafran
Cc: PCD
Subject: Re-Zone Permit 202135 R-12 & R24 Neighborhood complaint

City of Shoreline

17500 Midvale Ave N

Shoreline WA

RE: Re-Zone Application #202135

Address 1540 NE 175th St

Shoreline, WA 98155

Good Morning;

I am writing today to voice my concern/denial/complaint to the application/permit # 202135 to re-zone the property.

I don't even approve of the R12 and now Daniel Wick Horizon Homes has applied to you to re-zone the property to R24.

My family has been in Shoreline since the late 1960 and still reside in the family home, literally a "stone throw" from the property (1540 NE 175th) being re-zoned. This has always been a residential area on a two lane road off NE 175th going east, which over time has become busier with the development on the west side of NE 175th and the North City business area. We have a Brain Trauma Center being built at the corner of NE 175th & Serpentine which will increase the traffic and additional parking issues.

The R12 and R24 permit application are "out of line" for the residential area as you look at the street now; homes on both side of the street/properties being built/permitted will be boxed in, no parking, no walking with children/dogs in the area which really isn't safe now and all on this on a two lane road which has no additional room on either side of the street for a four lane road.

A R12 or R24 zone will not improve the area but will create additional problems/concerns for the residents who will call/write and complain to the City of Shoreline; we have homeless in the area, unwanted parking for the homeless, trash/human waste on the side of the road, drug deals, used needles and spent condoms.

Is this really what the City of Shoreline wants?

My family certainly does not want this.

Thank you for listening.

Ann (Provencher) Ocean

Shoreline Resident



Ann Ocean

Senior Loan Specialist Ballard Office

2227 NW 57th St Seattle, WA 98107

Office: 206-297-4207

bannerbank.com

Fax: 206-283-0083

E-mail: ann.ocean@bannerbank.com

Better ideas. Better banking.

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SEPA THRESHOLD DETERMINATION OF NONSIGNIFICANCE (DNS)

PROJECT INFORMATION

DATE OF ISSUANCE: **April 21, 2016**
PROPONENT: **City of Shoreline**
LOCATION OF PROPOSAL: **1540 NE 175th Street, Shoreline, WA 98133**

DESCRIPTION OF PROPOSAL: The applicant has requested to rezone a .29 acre site from Residential 12-units per acre (R-12) to Residential 24-units per acre (R-24) in order to construct 6 townhomes.

PUBLIC HEARING **Tentatively scheduled for May 11, 2016**

SEPA THRESHOLD DETERMINATION OF NONSIGNIFICANCE (DNS)

The City of Shoreline has determined that the proposal will not have a probable significant adverse impact(s) on the environment. An environmental impact statement (EIS) is not required under RCW 43.21C.030(2)(c). This decision was made after review of the environmental checklist, the City of Shoreline Comprehensive Plan, the City of Shoreline Development Code, and other information on file with the Department. This information is available for public review upon request at no charge.

This Determination of Nonsignificance (DNS) is issued in accordance with WAC 197-11-340(2). The City will not act on this proposal for 15 days from the date below.

RESPONSIBLE OFFICIAL: **Rachael Markle, AICP**
Planning & Community Development, Director and SEPA Responsible Official

ADDRESS: **17500 Midvale Avenue North** PHONE: **206-801-2531**
Shoreline, WA 98133-4905

DATE:

4/19/16

SIGNATURE:

R.H. Col for R. Markle

PUBLIC COMMENT, APPEAL, AND PROJECT INFORMATION

The public comment period will end on May 11, 2016. There is no administrative appeal of this determination. The SEPA Threshold Determination may be appealed with the decision on the underlying action to superior court. If there is not a statutory time limit in filing a judicial appeal, the appeal must be filed within 21 calendar days following the issuance of the underlying decision in accordance with State law.

The file and copy of the Development Code amendments are available for review at the City Hall, 17500 Midvale Ave N., 1st floor – Planning & Community Development or by contacting Steven Szafran, AICP, Senior Planner at sszafran@shorelinewa.gov or by calling 206-801-2512.

The file and copy of this SEPA Determination of Nonsignificance is available for review at the City Hall, 17500 Midvale Ave N., 1st floor – Planning & Community Development.

TOBIASON

LAND USE CONSULTING/LANDSCAPE ARCHITECTURE

RECEIVED
MAR 16 2016

PCD

175th Street NE Rezone Request

Decision Criteria Narrative

202135

The rezone is consistent with the Comprehensive Plan:

The rezone request is a change from the existing zone of R-12 to the proposed zone of R-24. The comprehensive plan designation of the site is High Density Residential. R-24 is an implementing zone for the High Density Residential designation.

Comprehensive policy LU-3 reads: "The High Density Residential designation is intended for areas near employment and/or commercial areas, where high levels of transit service are present or likely. This designation creates a transition between commercial uses and lower intensity residential uses. Some commercial uses may also be permitted. The permitted base density for this designation may not exceed 48 dwelling units per acre."

The site lies ½ a block from the intersection of 175th Street NE and 15th Avenue NE, which is a local commercial area. 15th Avenue NE is a major mass transit corridor (routes 348, 347 and 77x). The proposal is for a rezone which would allow densities of less than 48 dwelling units per acre.

For these reasons, the rezone request is consistent with the comprehensive plan.

The rezone will not adversely affect the public health, safety or general welfare:

As demonstrated above, the rezone is consistent with the comprehensive plan. This being the case, the intensity and type of use is considered appropriate from a long range planning standpoint. This proposed rezone only changes the upper limit of allowed density for this site. Other regulatory requirements for the site remain to control environmental impacts. Likewise, other developmental factors which would affect the public health, safety and general welfare are within the control of local, state and federal regulations. The design and impacts of the project are therefore limited and mitigated by virtue of the legal requirements that will be placed upon its development.

The rezone is warranted in order to achieve consistency with the Comprehensive Plan.

As demonstrated above, the rezone is consistent with the Comprehensive Plan. This rezone would increase potential density of the site to 24 units per acre. This designation is still only half the density considered appropriate for this location by the comprehensive plan.

The rezone will not be materially detrimental to uses or property in the immediate vicinity of the subject rezone:

20434 10TH PLAGE SW SEATTLE, WA 98166-4106 206-375-7775
LAUREY@TOBIASON.BIZ WEBSITE: TOBIASONLANDUSECONSULTING.COM

TOBIASON

LAND USE CONSULTING/LANDSCAPE ARCHITECTURE

Intense commercial and residential development exists within ½ block of the site on 15th Avenue NE. Properties adjacent to these projects are in transition; change to more intense use is happening, and must happen to accommodate the intense growth now being experienced by the City. This location was chosen for allocation of some of that growth. The impacts of increase traffic and need for mass transit are well served at this location. With multifamily and commercial uses existing so closely, the increase in density proposed is appropriate and should not have a negative impact on adjacent properties.

The rezone has merit and value for the community:

As demonstrated in the foregoing discussion, the rezone is the implementation of the city vision for this area as established in its comprehensive plan. This location was chosen for allocation of the city's population growth. With existing commercial uses very close by; good access to major city arterials, highways and freeways; and with a mass transit corridor within a short walk, this is an ideal location for the proposal. The value to the community is found in locating of its population where the existing infrastructure can best serve the growth.

Statement of Use

The proposal is for a residential townhouse project of six units. A site plan has been developed showing the building configuration, vehicular and pedestrian access, parking, building elevation and landscaping.

The building coverage will be approximately 6000 square feet. The building itself will be three stories tall with a maximum height of 40 feet consistent with the R-24 zoning bulk regulations. Two parking spaces are provided in closed garages. The hardscape area will be approximately 4,745 square feet. Five foot wide landscape screens are proposed surrounding the project.

Frontage Improvements

Please see the site plan for the frontage improvement plan. We are showing curb and gutter; a five foot planter strip with lawn and a street tree; and a five foot wide concrete sidewalk.

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adoption Ordinance No. 749 – Increasing the Appropriations in the 2016 Equipment Replacement Fund
DEPARTMENT:	Administrative Services Department
PRESENTED BY:	Sara Lane, Administrative Services Department Dan Johnson, Fleet & Facilities Manager
ACTION:	<input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

Proposed Ordinance No. 749 would increase the appropriations for the Equipment Replacement Fund in the amount of \$26,368 to purchase a 2016 Nissan Leaf, increase revenues by \$5,488, and transfer \$8,429 from the Vehicle Operations Fund. Staff presented proposed Ordinance No. 749 to the City Council at the July 11, 2016 Council meeting.

If proposed Ordinance No. 749 is adopted by Council, staff intends to purchase the new vehicle through the Washington State Department of Enterprise Services (DES) contract selection process. DES has completed a competitive selection process that also allows local municipal agencies to purchase vehicles, equipment, and other services at competitive prices.

RESOURCE/FINANCIAL IMPACT:

Proposed Ordinance No. 749 increases appropriations to the 2016 Budget by \$26,368, increases revenues by \$5,488, and uses available fund balance totaling \$12,451.

The estimated cost to purchase a 2016 Nissan Leaf is \$26,368, which includes the cost for license and registration and City decals. The estimated annual operating, maintenance, and replacement costs will increase by \$350 over the annual costs for the Ford Focus, which will be included in the 2017 Budget. To date, \$12,451 has been collected for the replacement of the Ford Focus. Combined with the \$5,488 from the claim reimbursement, there is \$8,429 needed to complete the purchase. Due to lower than expected vehicle maintenance costs and savings due to the price of fuel, there is a projected 2016 savings in the Vehicle Operations Fund of \$8,429, which can be transferred to Equipment Replacement Fund for the purchase of the Nissan Leaf.

RECOMMENDATION

Staff recommends that the City Council adopt Ordinance No. 749 amending the 2016 Budget.

Approved By: City Manager **DT** City Attorney **MK**

BACKGROUND

The City's 2005 Ford Focus was involved in a car accident which occurred on April 26, 2016. This vehicle is primarily used in the City's motor pool and used by employees to travel for City business. A motorist rear-ended the City vehicle and after receiving a repair estimate ranging from \$5,000 to \$6,500, Fleet Services worked with the Washington Cities Insurance Authority (WCIA) on the claim reimbursement process.

WCIA determined that the vehicle, originally scheduled to be replaced in 2021, was totaled and appraised the vehicle at \$5,488. WCIA provided a check to the City in the amount of \$4,488 and another check in the amount of \$1,000 for the deductible. WCIA pursued the party responsible for the damage and also obtained the \$1,000 for the cost of the deductible to the City.

DISCUSSION

To replace the 2005 Ford Focus, Fleet Services is proposing to purchase a 2016 Nissan Leaf. The estimated delivery time for the new vehicle is nine to 12 weeks. This replacement vehicle is being recommended for the following reasons:

- Supports City Council Goal 2: Improve Shoreline's utility, transportation, and environmental infrastructure.
- Maintenance costs such as fuel and maintenance are estimated to decrease due to purchasing an electric powered vehicle which does not require oil changes and other types of engine maintenance work.
- The new vehicle includes a larger 30 kWh battery for longer travel and faster charging time. This would allow greater use of the vehicle for City business activities. The travel range would allow up to 107 miles with a larger battery compared to 84 miles on a 24 kWh battery.

If approved, the new vehicle will be purchased through the Washington State Department of Enterprise Services (DES) contract selection process. This process allows municipal agencies to purchase vehicles, equipment and other services at reasonable and competitive prices. Since the cost of the vehicle is less than \$50,000, the City's purchasing policies allow staff to purchase the vehicle once the budget amendment is approved.

RESOURCE/FINANCIAL IMPACT

Proposed Ordinance No. 749 increases appropriations to the 2016 Budget by \$26,368, increases revenues by \$5,488, and uses available fund balance totaling \$12,451.

The estimated cost to purchase a 2016 Nissan Leaf is \$26,368, which includes the cost for license and registration and City decals. The estimated annual operating, maintenance, and replacement costs will increase by \$350 over the annual costs for the Ford Focus, which will be included in the 2017 Budget. To date, \$12,451 has been collected for the replacement of the Ford Focus. Combined with the \$5,488 from the claim reimbursement, there is \$8,429 needed to complete the purchase. Due to lower than expected vehicle maintenance costs and savings due to the price of fuel, there is a projected 2016 savings in the Vehicle Operations Fund of \$8,429, which can be transferred to Equipment Replacement Fund for the purchase of the Nissan Leaf.

The table below provides a breakdown of these costs:

Description	Est Cost
2016 Nissan Leaf	\$26,018
License & Registration	\$50
City Decals	\$300
Cost for Acquisition	\$26,368
Annual Operating & Maintenance	(\$700)**
Increase in Annual Replacement Cost	\$1,050
Estimated Annual Costs Increase	\$350
	Resources
Amount of Revenue Collected for the 2005 Ford Focus in the Equipment Replacement Fund	\$12,451
WCIA Settlement Amount	\$5,488
Budget Transfer from Estimated Savings in the Vehicle Operations Fund	\$8,429
Total Resources	\$26,368

***Due to 2016 savings in maintenance and fuel, there are funds in the annual maintenance and operations for the Nissan Leaf that were originally budgeted for the Ford Focus it is replacing.*

The following table summarizes the impact of this budget amendment and the resulting 2016 appropriation for each of the affected funds:

Fund	2016 Current Budget (A)	Budget Amendment (B)	Amended 2016 Budget (C) (A + B)
Vehicle Operations Fund	\$271,216	\$0	\$271,216
Equipment Replacement Fund	\$457,400	\$26,368	\$483,768
All Other Funds	\$88,115,098	\$0	\$88,115,098
Total	\$88,843,714	\$26,368	\$88,870,082

The following table summarizes the impact of available fund balance in each of the affected funds:

Fund	2016 Beginning Fund Balance (A)	Total Amendment Request (B)	Total Resources Adjustment (C)	2016 Adjusted Fund Balance (Adjusted for Amendment) (D) (A - B + C)	Variance from Projected 2016 Beginning Fund Balance (E) (D - A)
Vehicle Operations Fund	\$129,022	\$0	\$0	\$129,022	\$0
Equipment Replacement Fund	\$1,938,237	\$26,368	\$13,917	\$1,925,786	(\$12,451)
Total	\$2,067,259	\$26,368	\$13,917	\$2,054,808	(\$12,451)

Impact on the Ten Year Financial Sustainability Model (10YFSM):

The estimated impact on the operating budget has not been factored into the 10-year Financial Sustainability model at this time to project its full impact on future revenue gaps. The estimated annual increase is projected to be \$350, which would total \$3,500 over 10 years. This impact will be incorporated into the 2017 Proposed Budget and the sustainability analysis at that time.

RECOMMENDATION

Staff recommends that the City Council adopt Ordinance No. 749 amending the 2016 Budget.

ATTACHMENTS

Attachment A - Ordinance No. 749

ORDINANCE NO. 749

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON,
AMENDING ORDINANCE NO. 744 BY INCREASING THE
APPROPRIATION IN EQUIPMENT REPLACEMENT FUND**

WHEREAS, the 2016 Budget was adopted by Ordinance No. 728 and amended by Ordinance No. 740, Ordinance No. 743, and Ordinance No. 744; and

WHEREAS, additional needs that were unknown at the time the 2016 Budget was amended have occurred; and

WHEREAS, a City vehicle was involved in an accident on April 26, 2016 when a motorist rear ended the City Vehicle; and

WHEREAS, the Washington Cities Insurance Authority (WCIA) determined the vehicle to be totaled; and

WHEREAS, subsequent to the enactment of Ordinance No. 744, it was determined that an additional vehicle was required to be replaced due to being totaled in an accident; and

WHEREAS, the City of Shoreline is required by RCW 35A.33.075 to include all revenues and expenditures for each fund in the adopted budget;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Amendment. The City hereby amends Section 1 of Ordinance No. 744, *Amendment*, by increasing the appropriation for the Equipment Replacement Fund by \$26,368, as follows:

	Current Appropriation	Revised Appropriation
General Fund	\$44,441,147	
Street Fund	1,713,773	
Code Abatement Fund	100,000	
State Drug Enforcement Forfeiture Fund	168,243	
Public Arts Fund	84,216	
Federal Drug Enforcement Forfeiture Fund	263,000	
Property Tax Equalization Fund	691,313	
Federal Criminal Forfeiture Fund	2,802,444	
Transportation Impact Fees Fund	359,775	
Revenue Stabilization Fund	\$0	
Unltd Tax GO Bond 2006	1,710,375	
Limited Tax GO Bond 2009	1,663,417	

	Current Appropriation	Revised Appropriation
Limited Tax GO Bond 2013	260,948	
General Capital Fund	9,141,524	
City Facility-Major Maintenance Fund	866,754	
Roads Capital Fund	16,474,476	
Surface Water Capital Fund	7,356,193	
Vehicle Operations/Maintenance Fund	271,216	
Equipment Replacement Fund	457,400	483,768
Unemployment Fund	17,500	
Total Funds	\$88,843,714	\$88,870,082

Section 2. Severability. Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be preempted by state or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 3. Effective Date. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. The ordinance shall take effect and be in full force five days after passage and publication.

PASSED BY THE CITY COUNCIL ON JULY 25, 2016.

Mayor Christopher Roberts

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik Smith
City Clerk

Margaret King
City Attorney

Publication Date: _____, 2016
Effective Date: _____, 2016

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Authorize the City Manager to Execute the Expedited Permitting and Reimbursement Agreement with Sound Transit for the Lynnwood Link Project
DEPARTMENT:	Public Works and City Attorney
PRESENTED BY:	Nytasha Sowers, Transportation Planning Manager Margaret King, City Attorney
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

Sound Transit has begun Final Design of the Lynnwood Link Light Rail Extension (LLE) project. The LLE project will provide light rail service between the Northgate Transit Center in Seattle and the Lynnwood Transit Center in Lynnwood and will travel along the eastside of Interstate-5 (I-5) and include two stations and associated parking garages at NE 145th Street and NE 185th Street in Shoreline (the Project).

In an effort to streamline the Project, Sound Transit is seeking an over the shoulder and milestone review of the Final Design submittals, as well as an expedited permitting process. Because the City cannot engage in such a process with its current level of staffing, Sound Transit and City staff have negotiated an Expedited Permitting and Reimbursement Agreement (Staffing Agreement) where Sound Transit will reimburse the City for the staffing and permit cost required for the expedited review and permitting for an estimated amount of \$2,000,000. Tonight, staff is seeking Council authorization for the City Manager to execute this agreement with Sound Transit.

RESOURCE/FINANCIAL IMPACT:

There are no direct impacts to the City's resources associated with the approval of the Staffing Agreement. Sound Transit is required to pay the cost of over the shoulder and milestone design review and expediting processing of all of the associated permits for the Project. The two full time employees (FTE) positions previously approved by the Council for a Senior Planner and City Project Manager are to be reimbursed as part of the three FTE positions included in this Agreement.

RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to execute the Expedited Permitting and Reimbursement Agreement with Sound Transit for the Lynnwood Link Project, subject to final approval as to form by the City Attorney.

Approved By: City Manager **DT** City Attorney **MK**

INTRODUCTION

Final Design and permit review for Sound Transit's Lynwood Link Extension project (the Project) began in May 2016. In order to provide Sound Transit with expedited review and approvals for the Project, the City requires additional staffing and consultant services. The negotiated Staffing Agreement provides for this additional staffing and consultant services.

BACKGROUND

City staff last updated the City Council on the status of the Project on August 3, 2015. During this Council presentation, staff noted that the Project had recently completed its environmental impact analyses and had received a Record of Decision for the Project from the Federal Transit Authority (FTA). Staff also explained at this meeting that prior to Sound Transit's start of the Final Design phase of the Project in the Spring of 2016, the City would work with Sound Transit to identify staffing requirements and agreements needed to ensure the City's issues and concerns related to the Project are effectively addressed throughout the design, permitting, and construction phases of the Project. The staff report from the August 3, 2015 meeting can be found at the following link:

- <http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2015/staffreport080315-8b.pdf>

The Project's next steps included receiving FTA approval to enter into Final Design and procuring a final design and construction consultant. Sound Transit received FTA approval on April 11, 2016 and Sound Transit hired HNTB Jacobs as a construction consultant.

In February 2016, Sound Transit and Shoreline signed a Term Sheet (Attachment A) that outlined the general terms and conditions that needed to be addressed in relation to the completion of the final design, permit, and construction of the Project. The Term Sheet identified the need to establish a collaborative process for the identification, review, and approval of all required permits, as well as the identification of City staffing needs to provide an expedited review of the Project's plans, to attend regular meetings between Sound Transit and City staff, and to process anticipated permits and agreements.

Because Sound Transit was quickly moving towards final design, the City agreed to enter into staffing negotiations prior to addressing other issues identified in the Term Sheet. Accordingly, the Staffing Agreement only applies to the design and permitting stage of the project and does not address staffing for the actual construction stage of the Project or other items or issues identified in the Term Sheet, which are still being negotiated.

In addition to these negotiations with Sound Transit, over this past year, the Planning Commission and City Council have considered and adopted various code amendments to allow the Project, which is an Essential Public Facility, to utilize the City's Special Use Permit (SUP) development code provisions as the means to obtain permits with appropriate conditions. Additional background information related to the code

amendments related specifically to light rail transit system/facilities (Adoption of Ordinances Nos. 739 and 741 – Development Code Amendments) is available here:

- <http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2016/staffreport032116-7c.pdf>
- <http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2016/staffreport071116-8a.pdf>

DISCUSSION

The negotiated Staffing Agreement (Attachment B) covers the costs for the City for an over the shoulder and milestone review of Final Design submittals and an expedited permitting process for the two light rail stations, garages, and related facilities located within the City of Shoreline. The scope of the Staffing Agreement includes:

- Expedited design review and project permitting;
- Payment provisions for services provided by the City of Shoreline; and
- Specified submittal review turnaround periods.

The Staffing Agreement sets forth the roles and responsibilities of Sound Transit and the City with respect to expedited design and permit review and approvals for the Project. The Agreement also sets forth that Sound Transit will reimburse the City for its expenses, estimated at two million dollars (\$2,000,000). This amount represents the Parties' best efforts to estimate the schedule and the related City costs for the pre-construction design and permitting phase of the Project.

Included in the cost estimate is the direct salary rate and direct overhead, including benefits, of the following three full-time positions: 1) Project Manager; 2) Senior Planner; and 3) Development Review Engineer. Two of these positions, the Project Manager in the Public Works Department and Senior Planner in the Planning and Community Development Department, were already approved by the Council as part of the 2016 Budget amendment that was adopted on April 25, 2016. Staff has been moving forward on the hiring of these positions.

Beyond the three full time positions, the Staffing Agreement also provides that Sound Transit will reimburse the City for other consultant and related labor costs necessary for the review and processing of the Project permits (the estimate is set forth in more detail in Exhibit C to the Staffing Agreement (Attachment B)).

Once the Staffing Agreement is executed, the City will invoice Sound Transit for time expended on the Project and will invoice Sound Transit monthly thereafter. Because Sound Transit is currently in the Final Design stage, which has already required City review, the City will also invoice and be reimbursed for related staff time that has already been expended on the Project dating back to May 1, 2016. Along with the invoice, the City is to provide Sound Transit a progress report describing Project activities performed by the City during the reporting period and summary comparing actual costs to the estimated cost projections.

The City will also provide a labor and incidental expenses report detailing hours worked by employee and incidental expenses. If the summary reports indicate that the actual costs are anticipated to exceed the \$2,000,000 estimate, the Parties have agreed to complete an estimate for the Project and develop a course of action to address the additional costs, which could include additional money from Sound Transit or non-expedited processing of the required permits.

Sound Transit Approval of the Staffing Agreement

Sound Transit took the Staffing Agreement to the Sound Transit Board Capital Committee on July 14, 2016, and by approval of MOTION NO. M2016-68, authorized Sound Transit's Chief Executive Officer to execute the Agreement in the amount of \$2,000,000. The Committee also authorized a 10% contingency of \$200,000, for a total authorization amount for staffing not to exceed \$2,200,000. This authorization is contingent on City Council's approval of the Staffing Agreement. A copy of the Sound Transit Staff Report for this Capital Committee action is included as Attachment C.

ALTERNATIVES ANALYSIS

Without the Staffing Agreement, the City would simply process the Sound Transit permits with its existing staff as the current workload allows. Because the City's standard process could not meet Sound Transit's timeline for completion of the project by 2023, the Project would be delayed should the Council not agree to authorize the City Manager to execute the Staffing Agreement. Given this alternative, staff recommends that Council authorize the City Manager to execute the Staffing Agreement.

COUNCIL GOAL(S) ADDRESSED

Goal 3 of the City Council's 2016-2018 City Council Goals and Work Plan is to "Prepare for two Shoreline light rail stations." Action Step #5 under that Goal is to "Work collaboratively with Sound Transit to support the development and review of environmental, architectural, engineering and construction plans for the Lynnwood Link facilities within the City of Shoreline."

RESOURCE/FINANCIAL IMPACT

There are no direct impacts to the City's resources associated with the approval of the Staffing Agreement. Sound Transit is required to pay the cost of over the shoulder and milestone design review and expediting processing of all of the associated permits for the Project. The two full time employees (FTE) positions previously approved by the Council for a Senior Planner and City Project Manager are to be reimbursed as part of the three FTE positions included in this Agreement.

RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to execute the Expedited Permitting and Reimbursement Agreement with Sound Transit for the Lynnwood Link Project, subject to final approval as to form by the City Attorney.

ATTACHMENTS

Attachment A: City of Shoreline/Sound Transit Term Sheet

Attachment B: Expedited Permitting and Reimbursement Agreement with Sound Transit
for the Lynnwood Link Project, with Exhibits

Attachment C: Sound Transit Staff Report to the Sound Transit Capital Committee

**Term Sheet
Between the City of Shoreline and Sound Transit
In Anticipation of Future Agreements Related to the Lynnwood Link
Extension Light Rail Project**

Background

On November 4, 2008, Central Puget Sound area voters approved the Sound Transit 2 plan, a package of transit improvements and expansions including increased bus service, an expansion of Link light rail, and improved access to transportation facilities. Accordingly, Sound Transit is planning for the expansion of facilities via the Lynnwood Link Extension Project ("LLE Project"), which extends light rail from the Northgate Transit Center to the Lynnwood Transit Center through the City of Shoreline ("City").

On July 26, 2013, Sound Transit, as the "lead agency" for purposes of the LLE project's compliance with the State Environmental Policy Act ("SEPA"), and the Federal Transit Administration ("FTA") for compliance with the National Environmental Policy Act ("NEPA"), released the Draft Environmental Impact Statement ("DEIS") for the LLE project, thereby starting a 60-day public comment period that ended on September 23, 2013. On September 16, 2013, the City provided comments on the DEIS that identified the City's issues and concerns regarding project impacts on the municipality and its residents.

On November 21, 2013, the Sound Transit Board adopted Motion No. M2013-96, identifying the preferred light rail route and station locations for the LLE FEIS. Sound Transit then advanced preliminary engineering work on the preferred alternative and completed a Final Environmental Impact Statement ("FEIS") that included analysis of the preferred alternative as well as all alternatives considered in the DEIS. Sound Transit and the FTA published the FEIS on April 1 and April 3, 2015, respectively. The FEIS included responses to the City's comments on the Draft EIS.

The Sound Transit Board adopted Resolution 2015-05, selecting the route, profile, and stations for the Lynnwood Link light rail extension on April 23, 2015. This action defined and selected the light rail alignment, profile, stations, and associated infrastructure to be built between the Northgate Transit Center and the Lynnwood Transit Center.

This action established the project definition for the FTA and the Federal Highway Administration ("FHWA") NEPA Records of Decision ("ROD"), issued July 10, 2015 and August 31, 2015, respectively. For purposes of this Term Sheet, the term "Project" refers to that portion of the LLE Project, including mitigation identified in each ROD, which is located within the City.

Construction and operation of the LLE project will provide associated benefits to the residents, businesses and visitors in the City and throughout the region.

Sound Transit is a regional transit authority with all powers necessary to implement a high capacity transit system within its boundaries in King, Pierce, and Snohomish Counties. The City owns and operates public rights-of-way, utilities, parks and other infrastructure and improvements within the City that will be impacted by Project improvements. The City is responsible for managing streets and rights-of-way and public utilities within its jurisdiction for a variety of uses and public benefits, including public safety. The City is also responsible for administering land use laws and development regulations that will apply to planning, design, development and operation of the Project. Such development regulations and land use laws, including, but not limited to, the

Growth Management Act, Shoreline Management Act and SEPA, grant the City authority to exercise its land use powers in review of permits related to the Project.

The Project includes the following structures, facilities and project considerations within the City:

- An elevated station, an approximately 500-stall parking garage, and bus transfer facilities will be provided just north of NE 145th Street, east of I-5, and interstate ramps will be reconfigured to accommodate the station, garage and bus facilities.
- A route that will proceed along the east side of I-5 in a combination of retained cut, retained fill and elevated structures, partially in interstate right-of-way and partially on adjacent properties, to NE 185th Street.
- A retained cut station and bus transfer facilities will be provided just north of NE 185th Street, east of I-5.
- An approximately 500-stall parking garage will be provided in interstate right-of-way on the west side of I-5, and pedestrian connections between the station and garage will be improved on or adjacent to the existing NE 185th Street bridge over I-5.
- The route will proceed along the east side of I-5 in a combination of retained cut, retained fill and elevated structures, partially in I-5 right-of-way to the City boundary.
- The NE 145th Street and NE 185th Street stations ("Stations") will be developed with consideration for pedestrian, bus transit, passenger drop-off and pick-up, and bicycle access to link the light rail line with surrounding neighborhoods. Where practical, space for bus passenger and paratransit facilities that facilitate easy transfers and bicycle storage will be provided at or near stations.
- Sound Transit will implement reasonable measures to mitigate significant impacts of construction or operation of the light rail system as identified in the FEIS, and FTA and FHWA RODs, respectively, consistent with Sound Transit Board policy, and will involve local jurisdictions, businesses, community groups, affected institutions and the public in its implementation. In addition, Sound Transit will provide opportunities for affected neighborhoods to have input on the design of the Stations and other project elements to ensure cost-effective, community-sensitive design solutions.
- Sound Transit will continue to work with King County Metro Transit and Community Transit to develop plans for bus feeder service to the Stations, to connect the light rail line to the surrounding communities and encourage Link ridership.
- Sound Transit recognizes the importance of safe and effective pedestrian, bicycle and vehicular access to its facilities. Consistent with Sound Transit's system access policy, Sound Transit will partner with the cities of Seattle, Shoreline, Mountlake Terrace and Lynnwood during project final design to identify and implement appropriate pedestrian, bicycle and vehicular access enhancements to stations focused generally within a quarter mile of the stations.
- Sound Transit and the City ("Parties") agree that the Project with negotiated and identified reasonable and appropriate mitigation, provides substantial benefits to residents, businesses and visitors by connecting the City's residents and regional commuters to regional destinations through a reliable, frequent, high capacity transportation system. The Parties have a joint interest in serving the City and the surrounding region with high quality, convenient public transit as well as ensuring that the Project incorporates design and mitigation measures appropriate to its impacts. The Parties are in the process of negotiating agreements to guide the Project and understand and agree that there are mutual interests outside the scope of the Term

Sheet that may be addressed by separate agreements (e.g., funding agreements, interests involving other parties, ongoing mitigations or rail operations).

1. Term Sheet Purpose:

- 1.1. Confirm the common understanding of the general terms and conditions that the Parties believe are necessary to construct the Project.
- 1.2. Provide a framework for coordination and guidance for negotiations and development of agreements that will set forth the conditions and procedures for the Project's construction, operation and maintenance.
- 1.3. Clarify that any agreements negotiated between the City and Sound Transit will be subject to final approval by the Sound Transit Board and the City Council. This Term Sheet does not bind the parties to specific actions, decisions, or approvals, but rather is a commitment to negotiate such agreements in good faith on matters set out in this Term Sheet.
- 1.4. Clarify that additional terms not addressed in this Term Sheet may be identified, negotiated and included in such agreements.

2. Potential Subjects of Future Agreements:

- 2.1. Record the intent of Sound Transit and City to work cooperatively to support the Project.
- 2.2. Clarify and/or identify the process and timeline for City reviews, approvals, and permit issuance to allow Sound Transit to construct, operate, and maintain the Project within the City.
- 2.3. Identify the appropriate enhancements or improvements and related infrastructure for the Project and determine implementation, funding and schedule requirements for enhancements or improvements to be undertaken by Sound Transit and the City in connection with the Project, including coordination and phasing of Sound Transit and related projects, as well as projects adjacent to the Project.
- 2.4. Establish program management objectives and management protocols to govern the coordination between Sound Transit and the City during the design, construction, and operation of the Project, including protocols to resolve issues related thereto.
- 2.5. Establish and document decisions with regard to the Project and the 145th & 185th Station areas, such as construction phasing, communication with affected business and property owners, coordination of utility relocations, funding partnerships, design features for both stations and garages, and other topics to be determined during the negotiation process.
- 2.6. Consider options to identify and manage surplus property in general and in particular optimizing transit oriented development opportunities, especially around the two stations.
- 2.7. Establish terms and conditions related to the City's granting Sound Transit non-exclusive rights to construct, operate, maintain, and own a light rail transit system within City right-of-way.

3. Project Management and Process:

- 3.1. The Project schedule includes the following major milestones, which are subject to change and will be revisited during ongoing coordination meetings:
- Begin Final Design Q1 2016
 - 30% Station Design Submittal Q3 2016
 - 60% Design Submittal Q4 2016
 - 90% Design Submittal Q3 2017
 - 100% Design Q1 2018
 - Begin construction Q3 2018
 - Start of revenue service 2023
- 3.2. Sound Transit and the City will establish and document a collaborative process for the identification, review and approval of all necessary permits. This process, at a minimum, will establish any pre-permitting design protocols and/or a design review process, staffing resource needs, identification of technical codes pertinent and necessary to Sound Transit station design, permitting procedures, including timeframes for the review of plans, a schedule for regular meetings between Sound Transit and City staff, a list of anticipated permits and agreements that will be required by the City, continued coordination regarding the identified public design review process, and a process for resolving differences.
- 3.3. The City will identify to Sound Transit other projects and infrastructure in the vicinity of the LLE Project that may affect Project planning, design and construction.
- 3.4. Where applicable, Sound Transit will apply best practices and lessons learned from previous design, construction, and operation of Link light rail.
- 3.5. Sound Transit is the “lead agency” for the purposes of the Project compliance for SEPA. The City agrees that the Project has been subject to procedural and substantive SEPA through issuance of the following environmental documents, which comprise the “Project Environmental Documents”:
- a. North Corridor Transit Project Alternatives Analysis Report and SEPA Addendum, September 2011;
 - b. Lynnwood Link Extension Project DEIS, July 26, 2013;
 - c. Lynnwood Link Extension Project FEIS, April 1, 2015;
 - d. FTA Record of Decision, July 10, 2015; and
 - e. FHWA Record of Decision, August 31, 2015.
- 3.6. The Parties agree that the LLE Project Environmental Documents will be used by the City unchanged for its review and decisions on permit applications related to the Project, unless otherwise exempted by law or agreement.
- 3.7. Sound Transit’s design and construction of the Project is subject to a financial assistance contract between Sound Transit and the FTA. Both parties recognize that the FTA may request changes to agreements to comply with its funding requirements and the Parties agree to consider any such request in good faith.
- 3.8. Sound Transit acknowledges that it has not applied for the required permits for the Project from the City. Sound Transit further acknowledges that the City may desire or need to amend its codes and such amendments are separately subject to SEPA.

- 3.9. Sound Transit and the City will share information in a timely manner and provide notification of issues to one another to resolve problems quickly and efficiently.
- 3.10. Sound Transit and the City will work together in a cooperative fashion to develop a coordination process and protocols for activities involving the Washington State Department of Transportation ("WSDOT"), affected WSDOT-owned facilities or land under WSDOT jurisdiction.
- 3.11. To promote effective intergovernmental cooperation and efficiencies, each Party will designate specific representatives who shall be responsible for coordination of communications between the Parties and shall act as the point of contact for each Party.
- 3.12. Sound Transit and the City will appropriately staff and participate in regularly scheduled meetings to coordinate project details ("Designated Representatives"). The Designated Representatives will identify the appropriate staff and set the meeting schedule.
- 3.13. Sound Transit and the City agree to address the items of mutual interest in Sections 4, 5 and 6 and determine the appropriate course of resolution which may include agreements, plans or permits.

4 Overall Project Management

4.1 Project Management Plan

- 4.1.1 City and Sound Transit will jointly develop a project management plan to be endorsed by both parties that documents the decision-making process for the Project as well as projects that affect or are affected by the Project.
- 4.1.2 City and Sound Transit will jointly develop an appropriate City staffing plan for Project design review and permit approval.

4.2 Construction Management Plan

- 4.2.1 Sound Transit, in coordination with the City, will develop an overall construction phasing plan and shall identify ways to minimize disruption to public services and strategies and responsibilities for public communication during construction, including but not necessarily limited to:
 - Haul routes;
 - Staging areas;
 - Hours of work;
 - Communication roles, responsibilities and procedures; and
 - Noise.

4.3 Pre-Construction or Pre-Permitting

- 4.3.1 Sound Transit will work with the City to develop a plan or plans which address parking management, multi-modal access improvements, and neighborhood traffic and transportation impact assessments.

4.4 Post Construction

- 4.4.1 City and Sound Transit will work cooperatively to determine maintenance and operations responsibilities that will need to be documented and addressed in a future agreement or plan.

4.5 Dispute Resolution

- 4.5.1 City and Sound Transit will work cooperatively to identify and adopt a process to resolve disputes at the most efficient lowest level possible.

5 Overall Project

5.1 Transportation Facilities

- 5.1.1 Sound Transit and City will coordinate during design to refine existing transportation analysis to determine the final mitigation identified in the ROD.
- 5.1.2 Any further analysis beyond that completed for the FEIS, including but not limited to, issues such as locations of multi-modal access improvements will be the subject of further discussion between Sound Transit and the City.

5.2 Noise

- 5.2.1 Sound Transit will include plans for noise mitigation as part of its design and public outreach process and will consult with City regarding WSDOT wall design process, plans and options early and throughout the design process.

5.3 Stormwater

- 5.3.1 Sound Transit and the City will coordinate to address stormwater pollution prevention and volume control and identify and allocate (if necessary) any appropriate mitigation or improvements as required by all applicable laws and regulations.

5.4 Utility Relocation

- 5.4.1 As part of final design, Sound Transit will consult and coordinate with the City on plans for relocating public utilities.
- 5.4.2 Sound Transit will identify any required private utility relocations and the Parties will discuss available relocation options.

5.5 Trees

- 5.5.1 Develop and implement a tree mitigation plan.

5.6 Design of Ridgecrest Park

- 5.6.1 Coordinate with the City to conduct a design process that will include outreach in adjacent neighborhood to inform the roadway and park design in addition to or in conjunction with ROD mitigation requirements.

5.7 Bike Trail(s)

- 5.7.1 Sound Transit and City will coordinate on possible options to preserve the opportunity for a bike route and facility improvements along the project track way.

6 Station Areas

6.1 Station Design

- 6.1.1 Sound Transit will incorporate City design guidelines, as reasonably feasible.
- 6.1.2 Sound Transit will design stations as consistent with the most current Sound Transit Design Criteria Manual in conjunction with applicable City codes and design guidelines.

6.2 Multi-Modal Access Improvements

6.2.1 During Project design Sound Transit will coordinate with the City to plan, identify and implement appropriate pedestrian, bicycle and vehicular access enhancements and improvements to stations focused generally within a quarter mile of the stations.

6.3 I-5 Overpass Non-Motorized Access at NE 145th Street and NE 185th Street

6.3.1 Sound Transit will coordinate with the City on bicycle and pedestrian improvements to connect the stations across I-5 to the west.

6.4 Parking Garages

6.4.1 Consider feasibility of future potential commercial space or uses.

6.4.2 Consider shared parking with adjacent or nearby facilities, consistent with applicable Sound Transit policy.

6.4.3 Include parking garages in station design review process.

6.4.4 Identify policing, security, and maintenance responsibilities and procedures for stations and garages.

6.5 Design of 195th Street Bridge

6.5.1 Jointly coordinate design of pedestrian bridge and connection to existing city facilities.

7 Agency Representatives

7.1 To promote effective intergovernmental cooperation and efficiencies, each Party shall designate a representative who shall be responsible for coordination of communications between the Parties and shall act as the point of contact for each Party. The Designated Representatives shall communicate regularly to discuss the status of the tasks to be performed, identify upcoming Project decisions and any information or input necessary to inform those decisions, and to identify and resolve any issues or disputes in a timely manner related to the Project.

7.2 The Designated Representatives are as follows:

Sound Transit

John Evans
401 S Jackson St
Seattle, WA 98104
(206) 903-7254
john.evans@soundtransit.org

City of Shoreline

Nytasha Sowers
17500 Midvale Ave N
Shoreline, WA 98133-4905
(206) 801-2481
nsowers@shorelinewa.gov

8. Conclusion and Signature Block

This Term Sheet is intended by the Parties to serve as a non-binding statement of the Parties' current intent with regards to the Project. Sound Transit and the City acknowledge that this Term Sheet is not a complete statement of terms and conditions that will apply to the transactions contemplated herein. If Sound Transit and the City determine it is in their respective best interests to enter into an agreement or agreements at some future date related to the subject matter of this Term Sheet, the terms of those agreements shall govern. The parties also acknowledge that any future agreements would be subject to approval of the City Council and Sound Transit Board and must comply with applicable federal guidelines.

The City and Sound Transit recognize that future agreements will be subject to approval by the City Council and Sound Transit Board and must comply with applicable federal regulations. Additional issues not addressed in this Term Sheet may be identified and included in these future agreements.

SOUND TRANSIT

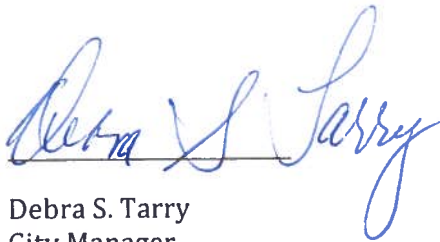


Peter Rogoff
Chief Executive Officer

2/11/16

Date

CITY OF SHORELINE



Debra S. Tarry
City Manager

1-21-16

Date

EXPEDITED PERMITTING AND REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF SHORELINE AND THE CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY FOR THE LYNNWOOD LINK PROJECT

THIS AGREEMENT (“Agreement”) is entered into between the City of Shoreline, a Washington municipal corporation (“the City”) and the Central Puget Sound Regional Transit Authority, a regional transit authority of the State of Washington (“Sound Transit”) for the purposes set forth below. The City and Sound Transit are collectively referred to hereafter as “the Parties” or individually as a “Party.”

RECITALS

A. The City is a non-charter optional municipal code city incorporated under the laws of the State of Washington, with authority to enact laws and enter into agreements to promote the health, safety and welfare of its citizens and for other lawful purposes.

B. Sound Transit is a regional transit authority created pursuant to Chapters 81.104 and 81.112 RCW with all powers necessary to implement a high capacity transit system within its boundaries in King, Pierce, and Snohomish counties.

C. The Sound Transit Board adopted Resolution 2015-05, selecting the route, profile, and stations for the Lynnwood Link light rail extension project on April 23, 2015. This action defined and selected the light rail alignment, profile, stations, and associated infrastructure to be built between the Northgate Transit Center and the Lynnwood Transit Center. This action established the project definition for the Federal Transit Administration (“FTA”) and the Federal Highway Administration (“FHWA”) NEPA Records of Decision (“ROD”), issued July 10, 2015 and August 31, 2015, respectively. For purposes of this Agreement, the term “Project” refers to that portion of the Lynnwood Link Extension project, including mitigation identified in each ROD, which is located within the City.

D. The Parties desire to enter into this Agreement to identify land use and administrative permits required by the City for the Project, to provide for Sound Transit to reimburse the City for expedited and timely design reviews prior to Sound Transit’s formal application for such permits, and for the City’s issuance of permits during the Project’s final design and pre-construction phase that are required to start the construction phase of the Project.

E. In order to expedite the design and permitting of the Project, the City has agreed to consider expedited permit processing and related staffing in this Agreement prior to addressing other issues that are still being negotiated, such as construction services. The Parties intend to address the design and permitting stage prior to construction in this Agreement and then address staffing and related permitting or approvals necessary for the construction phase of the Project through future agreement(s) as well as items referenced in the term sheet dated February 11, 2016.

AGREEMENT

FOR AND IN CONSIDERATION OF and subject to the terms and conditions set forth below, the parties agree as follows:

SECTION 1 PURPOSE OF AGREEMENT AND DEFINITIONS

The purpose of this Agreement is to set forth the roles and responsibilities of the Parties with respect to the City's expedited design and permit review and approvals for the Project and Sound Transit's reimbursement for the City's expenses related to such expedited review.

- 1.1 City Services. "City Services" means the activities performed by the City to fulfill the obligations contained within this Agreement, including project management and coordination, preparing invoicing and progress reports, design review, permit review and issuance, and related activities more specifically described in **Exhibit B**.
- 1.2 Construction Permit. "Construction Permit" refers to permits described as Ministerial Decisions or Type A permits in Shoreline Municipal Code (SMC) 20.30.040.
- 1.3 Land Use Permit. "Land Use Permit" refers to permits described as Administrative and Quasi-Judicial Decisions or Type B and C permits in Shoreline Municipal Code (SMC) 20.30.050 and 20.30.060
- 1.4 Design Submittal. "Design Submittal" means a set of design documents and related information that may be needed for permitting purposes for the Project that will be submitted to the City for review as the Project moves through various design review and approval processes.
- 1.5 Project. "Project" means the light rail transit guideway along the east side of I-5 from the southern City boundary to the northern City boundary in a combination of retained cut, retained fill and elevated structures, partially in interstate right-of-way and partially on adjacent properties, with stations and approximate 500-stall parking garages at NE 145th Street and NE 185th Street, with the NE 185th Street parking garage on the west side of I-5, and associated mitigation described in the FTA and FHWA RODs and associated improvements related thereto.
- 1.6 Third Party. "Third Party" means any person other than the City or an employee of the City and any person other than Sound Transit or an employee of Sound Transit.

SECTION 2 COOPERATION AND GOOD FAITH EFFORTS

- 2.1 The Parties understand and agree that the process described in this Agreement depends upon timely and open communication and cooperation between the Parties. In this regard, communication of issues, changes, or problems that arise with any aspect of the work should occur as early as possible in the process, and not wait for explicit due dates or deadlines. Each Party agrees to work cooperatively and in good faith toward resolution of any such issues.
- 2.2 The Parties acknowledge that this Agreement contemplates the execution and delivery of a number of future documents, instruments and permits, the final form and contents of which are not presently determined. The Parties agree to provide the necessary resources and to work in good faith to develop the final form and contents of such documents, instruments and permits, and to execute and deliver the same promptly.

- 2.3 In additional consideration for the execution of this Agreement the Parties have agreed to negotiate in good faith and execute a separate construction services agreement with the City that shall address additional construction related review and inspections, approvals, and permits (if any). The Parties contemplate that the above-referenced agreement will be finalized and executed prior to the 90% Design Construction Documents Submittal referenced in Section 4.3.

SECTION 3 SEPA

- 3.1 Sound Transit is the “lead agency” for the purposes of the Project compliance for SEPA. The City agrees that the Project has been subject to procedural and substantive SEPA through issuance of the following environmental documents, which comprise the “Project Environmental Documents”:
- a. North Corridor Transit Project Alternatives Analysis Report and SEPA Addendum, September 2011
 - b. Lynnwood Link Extension Project DEIS, July 26, 2013
 - c. Lynnwood Link Extension Project FEIS, April 1, 2015
 - d. FTA Record of Decision, July 10, 2015
 - e. FHWA Record of Decision, August 31, 2015
- 3.2 The Parties agree that the Project Environmental Documents will be used by the City unchanged for its review and decisions on permit applications related to the Project, unless otherwise exempted by law, regulations, or agreement.

SECTION 4 COORDINATION OF TIMELY PLAN REVIEW AND PERMITTING

- 4.1 Project Coordination. In order to facilitate expedited review and approval of the Project and to obtain a higher level of service than the City would otherwise be able to provide with its existing staff, as well as to mitigate the direct financial impact of the Project upon the City, Sound Transit will reimburse the City for the City’s costs to coordinate and expedite the City review process, review design plans, and permit the Project in accordance with Sound Transit’s Project schedule. The City will conduct timely reviews and provide necessary personnel to conduct expedited and necessary review of all permit applications as provided for in this Agreement. The Parties agree to monitor and manage the project work elements so as to control costs, maintain schedule, and provide quality products and service appropriate to the goals of this Agreement.
- 4.1.1 The City shall assign a full-time City staff contact for the Project (“City Coordinator”). The City Coordinator shall provide central coordination of all Design Submittal reviews and comments from all involved City departments. The City Coordinator shall resolve any inconsistencies among review comments from the City departments and the utilities described in Section 4.7, and shall provide Sound Transit with consistent and consolidated review, comments, and decisions. The City Coordinator shall be responsible for ensuring all City design review

comments are accurately documented in the correct Sound Transit design review format.

In addition to these tasks, the City Coordinator shall participate in regularly scheduled project-level coordination meetings and provide on-going project management activities including progress reports and invoicing in accordance with Section 5.3. The City Coordinator shall also be responsible for identifying and disclosing to Sound Transit, as soon as practicable, any other projects or proposals (*e.g.*, utility projects, public works projects, transportation projects, private development projects) that have the potential to conflict or interfere with the design and construction of the Project. The City may change the City Coordinator by providing notice to Sound Transit.

4.1.2 Sound Transit shall assign a Sound Transit staff contact for the Project (“ST Coordinator”). The ST Coordinator shall be central point of contact for Project design and coordination. In addition to these tasks, the ST Coordinator shall schedule and manage Project coordination meetings. The ST Coordinator shall ensure that all review comments are addressed and that responses to comments are coordinated between all Sound Transit departments and Project consultants. The ST Coordinator will also be responsible for ensuring that the City is informed as soon as practicable of any scope or schedule changes that may impact the City. Sound Transit may change the ST Coordinator by providing notice to the City.

4.2 Plan Review. The City and ST Coordinators will schedule and facilitate regular meetings between the Project designers and reviewers to evaluate and comment on Project design elements. The purpose of the regular review meetings is to keep the City’s reviewers apprised of the latest developments in the design, seek informal feedback or formal concurrence from the City on aspects of the design as it is progressing, and determine whether previously identified corrections are being adequately addressed prior to the next Design Submittal. The intent is to limit formal review periods to the identified Design Submittals. To the extent that disputes arise about how a design correction should be resolved, or whether a design correction is appropriate, the City and ST Coordinators shall attempt to resolve issues at the lowest level possible. If the City and ST Coordinators are not able to resolve a dispute within fourteen (14) or sooner if the City and Coordinators agree that the matter requires elevation, the dispute resolution process described in Section 10 shall be initiated.

4.3 Design Submittals. Sound Transit will notify the City Coordinator three (3) weeks in advance of providing a Design Submittal to the City for review. The City shall perform a review of the Design Submittal and return its unified and coordinated comments and corrections on the designs, plans, and specifications from all relevant City departments to Sound Transit within thirty (30) calendar days of receipt of the Design Submittal:

- 30% Design Development Concept Submittal
- 60% Design Development Submittal
- 90% Design Development Submittal
- 100% Construction Permitting Submittal

If within five (5) working days of the submittal the City provides notice to Sound Transit that a Design Submittal that has been submitted or resubmitted by Sound Transit is incomplete, the timeline for that particular review shall be deemed not to have started until Sound Transit submits a complete set of plans. City will notify Sound Transit if additional time is required to determine completeness of the submittal. If no notice is provided within five (5) working days, the submittal shall be considered to be complete.

If the City foresees that Design Submittal comments will not be returned within thirty (30) days of receipt of the Design Submittal, the City Coordinator shall notify the ST Coordinator as soon as the delay is identified and the City and ST Coordinators will jointly determine whether corrective steps described in Section 5.6.1 should occur.

4.4 Permits. The Parties agree that the City's Special Use Permit process shall be used for the Project, and that all discretionary permit decisions shall be made within the Special Use Permit process. The Parties further agree that the 30% Design Development Submittal shall be used as the basis for the City's review of the Special Use Permit. The required elements of the 30% Design Development Submittal to satisfy the Special Use Permit requirements are described in **SMC 20.30.330** . Construction Permits that may be required by the City are described in **Exhibit A**.

4.5 Timing. The City shall assign the City Coordinator, upon of execution of this Agreement and Sound Transit shall assign the ST Coordinator upon execution of this Agreement. Final Design is expected to continue through the first quarter of 2018 with Design Submittals scheduled as follows:

- Q3, 2016: 30% Design Development Submittal/Special Use Permit Submittal
- Q1, 2017: 60% Design Development Submittal
- Q3, 2017: 90% Design Development Submittal
- Q1, 2018: 100% Construction Permitting Submittal

The Special Use Permit is scheduled to be issued before Quarter 1, 2017.

4.6 Project Changes. In the event that the Sound Transit Board enacts a Project change that would affect the level of effort to be performed by the City or the Project schedule, the ST Coordinator and the City Coordinator shall work diligently to address and propose any necessary amendments to the permits, City Services, schedule, or cost estimate of this Agreement.

4.7 Third Party Utilities. This Agreement acknowledges that the City intends to take over the operations of the Ronald Wastewater District in King County at some time prior to the expected issuance of construction permits for the Project. The City shall review and comment on all Design Submittals with due consideration of its intended future operational interests in the facilities of said utility district.

SECTION 5 FINANCIAL REIMBURSEMENT

ST HAS NOT COMPLETED INTERNAL REVIEW OF THE FINANCIAL PROVISIONS IN THIS SECTION

- 5.1 Amount. The cost estimate provided in Exhibit C represents the Parties' best and reasonable efforts to estimate the schedule and budget for City costs related to the pre-construction phase of the Project. Based on this estimate, Sound Transit will pay the City an amount not to exceed Two Million Dollars (\$2,000,000) to reimburse the City of costs incurred related to design review, permitting, and project management and coordination of the Project as described in this Agreement.
- 5.2 Eligible Costs. The City may invoice Sound Transit for the following actual costs incurred on or after May 1, 2016.
 - 5.2.1 Staffing. The direct salary rate and direct overhead, including benefits, of the staff assigned to the Project. The cost estimate assumes that Sound Transit will fund three full-time positions as identified in, and at the approximate rates shown, in **Exhibit C**, and will also reimburse labor costs for other individuals providing City Services and supporting work efforts described in this Agreement.
 - 5.2.2 Consultants. Direct costs incurred by the City to retain consultants to work on the Project.
 - 5.2.3 Incidental Expenses. The City's direct expenses needed to support the City Services described in this Agreement, such as supplies, meeting expenses, mileage and travel from City offices to Sound Transit meeting locations, etc. No mark-up is allowed on incidental expenses.
 - 5.2.4 Non-eligible Costs. This Agreement does not cover the staffing, design review, or permitting costs incurred by North City Water District, Ronald Wastewater District, or the Shoreline Fire Department. This Agreement also does not cover the City's normal capital and operating expenses such as buildings, office equipment, maintenance, security, utilities, or vehicles.
- 5.3 Invoicing. The City shall invoice Sound Transit on a monthly basis. Invoices shall bear the name and address of the City's Designated Representative, reference this Agreement and a purchase order number that will be provided upon execution of this Agreement, and contain the supporting documentation described below. Invoices must be signed by an authorized representative of the City who shall verify that that the invoice is accurate and the work has been performed in accordance with the terms of this Agreement. Sound Transit shall remit payment within thirty (30) days of receipt of a complete invoice. The required supporting documentation follows.
 - 5.3.1 Progress report describing City Project activities performed during the reporting period and summary comparing actual costs to the estimated cost projections shown in Exhibit C.

- 5.3.2 Labor and Incidental Expenses report detailing hours worked by employee and incidental expenses with receipt or back-up documentation.
- 5.4 Agreement Management. In the event that actual costs are anticipated to exceed the amounts estimated in **Exhibit C**, the City Coordinator and the ST Coordinator shall prepare a cost to complete estimate for the Project and develop a course of action as appropriate, which may include amending this Agreement to modify the scope, schedule, or increase the not-to-exceed amount. The Designated Representatives may replace exhibits to this Agreement by mutual consent as described in Section 18.10.
- 5.5 Failure to Meet Timelines.
 - 5.5.1 If the City does not perform the permit review in such a manner as to meet the Design Submittal review times set forth Section 3.3, and if the failure to perform is solely attributable to the City's actions, corrective action must be taken by the City. Appropriate corrective action will first be established by the City and Sound Transit Designated Representatives. Should corrective action not resolve the problem within one (1) week, then Sound Transit may request other resolutions and/or a reduction in the fees owed by Sound Transit to the City
 - 5.5.2 Both parties agree that timely performance by the City relies on the City being fully staffed. If staff assigned to the Project quit without notice, are terminated for cause, or are absent for a period longer than two (2) weeks, the City shall develop a remedy within one (1) week to replace the staff resource until the position is filled. Failure to perform in accordance with the timelines set forth in Section 3.3 will be found if the City is not actively seeking to replace the staff or using third party resources within this timeframe.

SECTION 6 SUSPENSION AND TERMINATION

- 6.1 If the City has not received payment from Sound Transit as provided in Section 5.3, the City may suspend performance of all or any part of the associated work after giving Sound Transit thirty (30) days' notice of City's intent to do so. Such suspension shall remain in effect until payment is made in full, at which time the suspension shall be lifted.
- 6.2 Either Party may terminate this Agreement for cause in the event that the other Party fails to fulfill its material obligations under this Agreement in a timely manner or breaches any material provision of this Agreement and the dispute resolution process identified in Section 8 has failed to reach resolution within the timelines described therein. The Party wishing to terminate this Agreement for cause shall provide the other Party with notice of its intent to terminate and shall give the other Party an opportunity to correct the failure to perform or breach within thirty (30) days of the notice or within such longer period as may be necessary in the event that correction cannot reasonably be accomplished within thirty (30) days. If the failure or breach is not corrected or cured, this Agreement may be terminated by the aggrieved party by giving ninety (90) days' notice to the other Party.
- 6.3 This Agreement shall also terminate with the mutual consent of both parties.

- 6.4 Except as provided in this Section 6, a termination by either Party shall not extinguish or release either Party from liability for costs or obligations existing as of the date of termination. Any costs incurred prior to proper notification of termination will be borne by the Parties in accord with the terms of this Agreement

SECTION 7 INDEMNITY

- 7.1 Each Party agrees to hold harmless, indemnify, and defend the other Party, its officers, agents, and employees, from and against any and all claims, losses or liability, for injuries, sickness or death of persons, including employees of the indemnifying Party, or damage to property, arising out of any willful misconduct or negligent act, error, or omission of the indemnifying Party, its officers, agents, or employees, in connection with the services required by this Agreement, provided, however, that:
- 7.1.1 The indemnifying Party's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or resulting from the sole willful misconduct or sole negligence of the other Party, its officers, agents or employees; and
- 7.1.2 The indemnifying Party's obligations to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the indemnifying Party and the other Party, or of the indemnifying Party and a third party other than an officer, agent, or employee of the indemnifying Party, shall apply only to the extent of the negligence or willful misconduct of the indemnifying Party, its officers, agents, or employees.
- 7.2 Each Party agrees to bear full responsibility for any and all tax liabilities owed that may arise in relation to this Agreement, and each Party shall fully indemnify and hold the other Party, its officers, agents and employees harmless from any tax liability owed by other Party arising from or related to the transactions set forth herein, including, but not limited to, any taxes, penalties, fines, and/or interest that are assessed by any tax authority against the indemnifying Party and further including all attorneys' fees and costs incurred in response to any claims or assessments by any tax authority against indemnifying Party, its officers, agents and employees.
- 7.3 The obligations in this Section shall survive termination or completion of this Agreement as to any claim, loss or liability arising from events occurring prior to such termination or completion.

SECTION 8 DISPUTE RESOLUTION

- 8.1 The Parties agree that neither party shall take or join any action in any judicial or administrative forum to challenge actions of the other party associated with this Agreement or the Project, except as set forth herein.
- 8.2 The Parties agree to use their best efforts to prevent and resolve potential sources of conflict at the lowest level possible.

- 8.3 Any disputes or questions of interpretation of this Agreement or the performance of either Party under this Agreement that may arise between Sound Transit and the City shall be governed under the dispute resolution provisions in this Section. The Parties agree that cooperation and communication are essential to resolving issues efficiently.
- 8.4 Either Party may refer a dispute to the dispute resolution process by providing written notice of such referral to the other Party's Designated Representative. The Parties agree to use their best efforts to resolve disputes arising out of or related to this Agreement using good faith negotiations by engaging in the following dispute resolution process should any such disputes arise:
- 8.4.1 Level One - Sound Transit's Designated Representative and the City's Designated Representative shall meet to discuss and attempt to resolve the dispute in a timely manner. If they cannot resolve the dispute within fourteen (14) days after referral of that dispute to Level One, either party may refer the dispute to Level Two.
- 8.4.2 Level Two - Sound Transit's Executive Director of Design, Engineering and Construction Management and the City's Planning and Development Director shall meet to discuss and attempt to resolve the dispute, in a timely manner. If they cannot resolve the dispute within fourteen (14) calendar days after referral of that dispute to Level Two, either party may refer the dispute to Level Three.
- 8.4.3 Level Three - Sound Transit's Chief Executive Officer or Designee and the City's Manager or Designee shall meet to discuss and attempt to resolve the dispute in a timely manner.
- 8.5 Except as otherwise specified in this Agreement, in the event the dispute is not resolved at Level Three within fourteen (14) calendar days after referral of that dispute to Level Three, the Parties are free to file suit, seek any available legal remedy, or agree to alternative dispute resolution methods such as mediation. At all times prior to resolution of the dispute, the Parties shall continue to perform any undisputed obligations and make any undisputed required payments under this Agreement in the same manner and under the same terms as existed prior to the dispute. Notwithstanding anything in this Agreement to the contrary, neither party has an obligation to agree to refer the dispute to mediation or other form of dispute resolution following completion of Level Three of the process described herein. Such agreement may be withheld for any reason or no reason.

SECTION 9 REMEDIES AND ENFORCEMENT

- 9.1 The Parties reserve the right to exercise any and all of the following remedies, singly or in combination, and consistent with the dispute resolution and default Sections of this Agreement, in the event the other violates any provision of this Agreement:
- 9.1.1 Commencing an action at law for monetary damages;
- 9.1.2 Commencing an action for equitable or other relief;

- 9.1.3 Seeking specific performance of any provision that reasonably lends itself to such remedy; and/or
- 9.1.4 The prevailing party (or substantially prevailing party if no one party prevails entirely) shall be entitled to reasonable attorney fees and costs.
- 9.2 All remedies set forth above are cumulative and the exercise of one shall not foreclose the exercise of others.
- 9.3 Neither Party shall be relieved of its obligations to comply promptly with any provision of this Agreement by reason of any failure by the other Party to enforce prompt compliance, and such failure to enforce shall not constitute a waiver of rights or acquiescence in the other Party's conduct.

SECTION 10 DURATION OF AGREEMENT

- 10.1 This Agreement shall take effect upon the last date of signature by the Parties as set forth below. This Agreement shall remain in effect until all required City reviews, permits and approvals needed for Project construction have been issued or completed, or until the start of Lynnwood Link Extension revenue operations, whichever comes first, unless sooner terminated as provided in Section 6 above.

SECTION 11 WARRANTIES

- 11.1 By execution of this Agreement, the City warrants:
 - 11.1.1 That the City has the full right and authority to enter into and perform this Agreement, and that by entering into or performing this Agreement the City is not in violation of any law, regulation or agreement by which it is bound or to which it is bound or to which it is subject; and
 - 11.1.2 That the execution, delivery and performance of this Agreement by the City has been duly authorized by all requisite corporate action, that the signatories for the City hereto are authorized to sign this Agreement, and that upon approval by the City, the joinder or consent of any other party, including a court or trustee or referee, is not necessary to make valid and effective the execution, delivery and performance of this Agreement.
- 11.2 By execution of this Agreement, Sound Transit warrants:
 - 11.2.1 That Sound Transit has the full right and authority to enter into and perform this Agreement, and that by entering into or performing this Agreement Sound Transit is not in violation of any law, regulation or agreement by which it is bound or to which it is bound or to which it is subject; and
 - 11.2.2 That the execution, delivery and performance of this Agreement by Sound Transit has been duly authorized by all requisite corporate action, that the signatories for Sound Transit hereto are authorized to sign this Agreement, and that upon

approval by Sound Transit, the joinder or consent of any other party, including a court or trustee or referee, is not necessary to make valid and effective the execution, delivery and performance of this Agreement.

SECTION 12 ADMINISTRATION OF AGREEMENT

- 12.1 This Agreement will be jointly administered by Sound Transit's Designated Representative and the City's Designated Representative.
- 12.2 Each Party shall bear its own costs of administering this Agreement.

SECTION 13 POSTING OF AGREEMENT

- 13.1 Pursuant to RCW 39.34.040, each party shall list this Agreement on its website by subject matter and shall post a copy in an electronically retrievable source for public viewing.

SECTION 14 ASSIGNMENT AND BENEFICIARIES

- 14.1 Neither Party may assign all or any portion of this Agreement without the express written consent of the other Party. There are no third party beneficiaries to this Agreement.

SECTION 15 DESIGNATED REPRESENTATIVES

- 15.1 To promote effective intergovernmental cooperation and efficiencies, each party designates the following persons as their representatives ("Designated Representatives") who shall be responsible for coordination of communications between the parties and shall act as the point of contact for each party. The Designated Representatives shall coordinate with the City Coordinator and the ST Coordinator and shall communicate regularly to discuss the status of the tasks to be performed, identify upcoming Project decisions and any information or input necessary to inform those decisions, discuss any substantial changes to the Project, and resolve any issues or disputes related to the Project, consistent with this Agreement. The Designated Representatives are:

SOUND TRANSIT:

Michelle Ginder, Light Rail
Development Manager

CITY OF SHORELINE:

Nytasha Sowers, Transportation Services
Manager

- 15.2 Each Designated Representative is also responsible for coordinating the input and work of its agency, consultants, and staff as it relates to the objectives of this Agreement. The Parties reserve the right to change Designated Representatives by providing notice to the other party during the term of this Agreement.

SECTION 16 NOTICES

- 16.1 Unless otherwise provided herein, all notices and communications concerning this Agreement shall be in writing and addressed to the Designated Representative.
- 16.2 Unless otherwise provided herein, all notices shall be either: (i) delivered in person, (ii) deposited postage prepaid in the certified mails of the United States, return receipt requested, (iii) delivered by a nationally recognized overnight or same-day courier service that obtains receipts, or (iv) delivered electronically to the other party's Designated Representative as listed herein. However, notice under Section 6, Suspension and Termination, must be delivered in person or by certified mail, return receipt requested.

SECTION 17 AUDITS

- 17.1 Sound Transit and the City shall maintain accounts and records, including contract and financial records, which sufficiently and properly reflect all direct and indirect costs of any nature expended for work performed under this Agreement so as to ensure proper accounting for all monies paid to the City by Sound Transit. These records shall be maintained for a period of six (6) years after termination or expiration of this Agreement unless permission to destroy the records is granted by the Office of the Archivist pursuant to RCW Chapter 40.14 and agreed to by the City and Sound Transit.

SECTION 18 GENERAL PROVISIONS

- 18.1 The Parties shall not unreasonably withhold requests for information, approvals or consents provided for in this Agreement; provided, however, that approvals or consents required to be given by vote of the Sound Transit Board or Shoreline City Council are recognized to be legislative actions. The Parties agree to take further actions and execute further documents, either jointly or within their respective powers and authority, to implement the intent of this Agreement provided, however, that where such actions or documents required must be first approved by vote of the Sound Transit Board or Shoreline City Council, such actions are recognized to be legislative actions. The City and Sound Transit agree to work cooperatively with each other to achieve the mutually agreeable goals as set forth in this Agreement.
- 18.2 This Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of Washington. Venue for any action under this Agreement shall be King County, Washington.
- 18.3 This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the City and Sound Transit.
- 18.4 Time is of the essence in every provision of this Agreement. Unless otherwise set forth in this Agreement, the reference to "days" shall mean calendar days unless otherwise noted. If any time for action occurs on a weekend or legal holiday, then the time period shall be extended automatically to the next business day.

- 18.5 This Agreement is made and entered into for the sole protection and benefit of the Parties hereto and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.
- 18.6 No joint venture or partnership is formed as a result of this Agreement. No employees, agents or subcontractors of one party shall be deemed, or represent themselves to be, employees of any other party.
- 18.7 This Agreement has been reviewed and revised by legal counsel for all parties and no presumption or rule that ambiguity shall be construed against the party drafting the document shall apply to the interpretation or enforcement of this Agreement. The Parties intend this Agreement to be interpreted to the full extent authorized by applicable law.
- 18.8 Each Party shall be responsible for its own costs, including legal fees, incurred in negotiating or finalizing this Agreement, unless otherwise agreed in writing by the Parties.
- 18.9 The Parties shall not be deemed in default with provisions of this Agreement where performance was rendered impossible by war or riots, civil disturbances, floods or other natural catastrophes beyond its control; the unforeseeable unavailability of labor or materials; or labor stoppages or slow-downs, or power outages exceeding back-up power supplies. This Agreement shall not be revoked or a party penalized for such noncompliance, provided that such party takes immediate and diligent steps to bring itself back into compliance and to comply as soon as practicable under the circumstances without unduly endangering the health, safety, and integrity of both parties' employees or property, or the health, safety, and integrity of the public, public right-of-way, public property, or private property.
- 18.10 This Agreement may be amended only by a written instrument executed by each of the Parties hereto. The Designated Representatives may agree upon amendments to Exhibits. Such amendments shall be binding upon the parties without the need for formal approval by the Sound Transit Board and the Shoreline City Council, as long as the amendments are generally consistent with this Agreement, do not exceed the dollar amount identified in Section 5.1, or the authority granted by the Sound Transit Board to the Sound Transit CEO and do not require the City to employ permanent staff in excess of the FTEs approved in the City's annual budget.
- 18.11 This Agreement constitutes the entire agreement of the Parties with respect to the subject matters of this Agreement, and supersedes any and all prior negotiations (oral and written), understandings and agreements with respect hereto.
- 18.12 Section headings are intended as information only, and shall not be construed with the substance of the section they caption.
- 18.13 In construction of this Agreement, words used in the singular shall include the plural and the plural the singular, and "or" is used in the inclusive sense, in all cases where such meanings would be appropriate.

18.14 This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all counterparts together shall constitute but one and the same instrument.

SECTION 19 SEVERABILITY

19.1 In case any term of this Agreement shall be held invalid, illegal or unenforceable in whole or in part, neither the validity of the remaining part of such term nor the validity of the remaining terms of this Agreement shall in any way be affected thereby.

SECTION 20 CITY'S PERMITTING AND REGULATORY AUTHORITY

20.1 Nothing in this Agreement shall be deemed a waiver of the City's regulatory or permitting authority as to any of the permits required for the Project, nor a predetermination of the compliance of the project with applicable codes and regulations. The City retains the right to approve or reasonably condition permits required for the Project within the bounds of the City's legal authority.

IN WITNESS WHEREOF, each of the parties has executed this Agreement by having its authorized representative affix his/her name in the appropriate space below:

CENTRAL PUGET SOUND REGIONAL
TRANSIT AUTHORITY
(SOUND TRANSIT)

THE CITY OF SHORELINE

By: _____
Peter M. Rogoff, Chief Executive
Officer

By: _____
Debbie Tarry, City Manager

Date: _____

Date: _____

Authorized by Motion No. _____

Authorized _____ by
[Ordinance/Resolution/Motion] on _____
2016.

Approved as to form:

Approved as to form:

By: _____
Stephen Sheehy, Legal Counsel

By: _____
Margaret King, City Attorney

Exhibit List:

Exhibit A: Covered Permits

Exhibit B: Description of City Services

Exhibit C: Estimated Cost for Final Design Review and Permit Process

Exhibit A- Permits Covered by Agreement

Permit Type	Notes
Building Permits: Commercial & Residential	Includes Plan Review & WABO surcharge
Mechanical Permits	
Plumbing Permits	
Site Development Permits	
Clearing and Grading	
Tree Removal	
Right of Way Use	(if applicable)
Right of Way Site	
Lot Line Adjustments, Lot Mergers, Subdivisions	
Demolition Permits	<u>Includes inspection if demolition completed prior to end of agreement.</u>
Sign Permits	
Administrative Design Review	(if applicable)
Temporary Use Permits	
Special Use Permits	
Interpretations of the Development Code	(if applicable)
Variances – Zoning	(if applicable)
Critical Area Special Use Permits	
Street Vacation Permit	(if applicable)
Deviation from Engineering Standards	(if applicable)

Notes:

- (1) Utility permits such as electrical permits are not included as part of this agreement.
- (2) Fire System- Construction permit– intake and issuance once approved by the Shoreline Fire District will be performed by the City of Shoreline as part of this agreement. Review of these permits will be completed by the Shoreline Fire District and not included as part of the service provided by the City as specified in this agreement.
- (3) Fire System Operational permits are not part of this agreement.
- (4) Third Party review of submittal items in accordance with SMC Title 20 is not included as part of this agreement.

EXHIBIT B: CITY SERVICES TO BE PROVIDED

SECTION 1 STAFFING AND RESOURCES COVERED

The Final Design Submittals are expected to be submitted to the City separately for various elements of the Project, rather than as a complete package. Upon receipt of each Design Submittal from Sound Transit, the City shall perform a review of the Design Submittal and return its unified and coordinated comments and corrections on the designs, plans, and specifications from all relevant City departments to Sound Transit, as closely as practical within the number of days specified in Section 5 of the Staffing Agreement for each of the following Design Submittals:

- 30% Design Submittal (185th and 145th Street Stations, Garages and site)
- 60% Design Submittal (all components of the Lynnwood Link Extension Project in Shoreline)
- 90% Design Submittal (all components of the Lynnwood Link Extension Project in Shoreline)
- 100% Construction Permitting Submittal

In order to proactively work through design issues, and reduce the amount of time required for formal review of these design submittals, key city of Shoreline staff will meet on a regular basis with the Sound Transit design review team on elements of the design. Weekly coordination and design meetings are anticipated for the duration of the Final Design phase of the project.

Staff is also expected to participate in the following workshops: Value Engineering; Risk Assessment; Station Area Multi-modal Access; Permitting and other project delivery related project workshops.

1.1 Overview of Positions Required

City Project Manager (City Coordinator)*

The City Coordinator, as referred to in the Agreement, has the role of City Project Manager and is henceforth referred to as such in this document. The City Project Manager will coordinate City design and permitting review for the Project. The City Project Manager shall provide central coordination of all Design and Permit Submittal reviews and comments from all involved City departments. The City Project Manager shall resolve any inconsistencies among review comments from the City departments and shall provide Sound Transit with consistent and consolidated review comments. In addition to these tasks, the City Project Manager shall participate in regularly scheduled project-level design and coordination meetings. The City Project Manager shall also be responsible for identifying and disclosing to Sound Transit, as soon as practicable, any other projects or proposals (e.g. utility projects, transportation projects, private development projects) that have the potential to conflict or interfere with the expeditious design and construction of the Project.

The City Project Manager shall communicate regularly with Sound Transit to discuss the status of the tasks to be performed, identify upcoming Project decisions and any information or input necessary to inform those decisions, discuss any substantial changes to the Project, and resolve any issues or disputes related to the Project, consistent with this Agreement.

Responsibilities include:

- Provide to Sound Transit, monthly progress reports and invoicing in accordance with Section 5 of the Agreement.
- Lead coordination for the review of design and permitting submittals for both light rail stations and garages in Shoreline, light rail track alignment and other associated structures.
- Review design and permitting submittals in coordination with the City's Engineering, Planning and Community Development (PCD), Surface Water & Environmental Services and Operations/Maintenance and provide written review comments at 30%, 60%, and 90% design submittals and 100% construction permitting submittal.
- Lead weekly internal coordination meetings with City Staff. Attend weekly project design and coordination meetings with Sound Transit staff and design consultants.
- Lead City's ongoing coordination with Sound Transit staff and design consultants on utility relocations, roadway realignment, haul routes, and similar design and permitting issues.
- Lead response to inquiries from City staff, Council and Citizens. Serve as a liaison from Council recommendation to staff reviewers for the 30%, 60%, 90%, and the Construction Permitting Submittal for the stations, garages, sites associated structures, and ROW improvements.

Project Administrative Assistant

This position will support the City Project Manager and Shoreline staff's review of the Final Design and permitting submittals for the Lynnwood Link Light Rail project and support the communication and coordination of planning and engineering work activities among Shoreline staff, ST agency technical staff and their consultant team. Specific duties including:

- Distributing design deliverable documents to City staff or consultants for review, tracking and compiling reviewer comments, following up on comments to submittals, drawings and specs reviews, etc.,
- Providing support to the department/division; administrative support for a variety of committees as assigned –preparing meeting materials and summarizing meeting discussions and outcomes
- Collecting, reviewing, and inputting staff comments into required spreadsheets and SharePoint sites. Establishing and maintaining permanent hard files and soft (SharePoint) copies of project files.

City Development Review Engineer*

The City shall assign a Development Review Engineer for the Project. The City Development Review Engineer will lead development review of design and permitting submittals for both light rail stations and garages, light rail track alignment, associated structures and right of way improvements. This position will review Project designs, specifications, estimates, and other documents. Specific responsibilities will include:

- Review plans for compliance with applicable codes and City standards including, but not limited to, roadway/frontage design, erosion control, American Disabilities Act wastewater and surface water.

- Review design and permit submittals in coordination with PCD, Surface Water & Environmental Services, Construction Services, Traffic Services and Operations/Maintenance; provide written review comments at 30%, 60%, 90% and 100% completion.
- Attend weekly internal coordination meetings, weekly design and coordination meetings with Sound Transit staff and design consultants.
- Ongoing coordination with Sound Transit staff and design consultants on utility relocations, roadway realignment, haul routes, and similar design and permitting issues.
- Assist with response to inquiries from City staff, Council and Citizens.

Traffic Engineer

The City shall assign a Traffic Engineer to the Project. The Traffic Engineer will review, analyze and recommend appropriate mitigation regarding traffic engineering and impact studies associated with Lynnwood Link Extension project as it relates to Shoreline.

Project Responsibilities will include:

- Review of the station area multi-modal access assessments to ensure pedestrian, bus, bicycle and traffic needs are met and/or appropriately mitigated;
- Review 30%, 60%, 90% and 100% Construction Permitting Submittal for traffic elements such as signals, channelization, signage and other traffic control devices;
- Review construction phase traffic control, maintenance of traffic, and haul route plans for the project;
- Work with neighborhoods to identify concerns and develop traffic calming and parking alternatives in alignment with the Neighborhood Traffic Safety Program;
- Ensure Sound Transit's traffic modeling accurately reflects existing and future conditions. Make sure Sound Transit's impacts are incorporated into the City's Traffic Model;
- Assist with response to inquiries from City staff, Council and Citizens; and
- Attend internal coordination meetings with Sound Transit staff and design consultants..

Senior Planner*

The City shall assign a Senior Planner for the project. This position will conduct the design review process for the stations, garages, sites, and associated structures at the 30%, 60%, 90% & final phases. This position will coordinate all facets of development review: plans examination, zoning and design review, critical area review, site development and storm water and utilities coordination.

Project responsibilities will include

- Serve as the lead zoning reviewer and prepare comments on the 30%, 60%, 90% and 100% construction permitting submittal and associated reports for the stations, garages, sites, and associated structures for compliance with SMC Title 20;
- Serve as lead reviewer for processing the following permit types: Special Use permit, Tree Removal permits, Lot Line Adjustments/Lot Mergers/Subdivisions, Demolition permits, Sign permits, Administrative Design Review, Temporary Use Permits, Interpretations of the Development Code, Variances, and Critical Area Special Use permit(s),;

- Attending weekly internal coordination meetings and biweekly agency coordination meetings regarding design and permitting as needed;
- Updating the City's website & Currents with ongoing information about the project;
- Responding to walk-in/phone-in/write-in questions/complaints/concerns directed to the City about the design of the Lynnwood Link Extension project;
- Developing local codes, policies, agreement components and procedures related to light rail construction and ongoing services; and

NOTE: The City anticipates utilizing the services of an on-call Planner Associate to assist the Senior Planner with the review of the 30%, 60%, 90% and 100% design and permitting submittals should it become necessary in order to meet Sound Transit's expectations.

Structural Plans Examiner

The City shall contract with a Structural Plans Examiner (consultant) to be assigned the Lynnwood Link Extension project. This position will perform plans examination for the stations, garages, miscellaneous structures (retaining walls, noise walls, signs) as part of the 30%, 60% 90% and 100% review of design and permit submittals. This position will be tasked with:

- Review of all required structural and non-structural construction plans and calculations for compliance with the City's adopted construction and building codes as listed in SMC Title 15;
- Prepare initial and revised written comments following review of all required structural and non-structural construction plans and calculations in response to the 30%, 60%, 90% and final submittals;
- Review and comment on the compliance of the 30%, 60%, 90% and 100% design and construction plans and specifications with the Regulations for Barrier Free Facilities and Energy Codes; and
- Attend weekly internal coordination meeting, biweekly agency coordination meetings and ad hoc meetings relating to design, permitting, and construction as needed.

NOTE: The City anticipates utilizing additional on-call consulting services to assist the Structural Plans Examiner with the review of the 30%, 60%, 90% and 100% design and permitting submittals should it become necessary in order to meet Sound Transit's expectations.

Permit Technician

The Permit Technician will perform such duties as:

- Logging all plan sets and revisions received for the official 30%, 60%, 90% and final 100% submittal into the permit tracking system;
- Setting up file sets to distribute to reviewers; and
- Processing (intake and issuance) of all ancillary permits as described in Exhibit B.

Building Inspector

It is anticipated that starting in 2017 Sound Transit may be acquiring permit approvals and completing “early work” such as demolitions. Therefore, this agreement includes inspection services for demolition permits. The City anticipates contracting with a consultant to perform these inspections on an on-call basis.

Lead Construction/ROW Inspector

The City shall assign a Lead Construction/ROW Inspector for the project construction to ensure construction activities meet City standards and permit requirements. With construction occurring at multiple locations with different contractors it is important to have a “Lead” that can coordinate between projects/permits, provide assistance when needed and communicate issues with Contractors and Sound Transit.

Typical tasks include:

- Assisting the Construction Supervisor in managing inspection work for Sound Transit projects;
- Manage three construction inspectors;
- Organize material testing and documentation services;
- Manage one full-time Project Coordinator;
- Coordination with ongoing current ROW inspections not related to Sound Transit projects;
- Coordination with City Operations/Maintenance and third-party utilities;
- Coordinate and communicate issues or problems with Sound Transit, Contractors, utility companies and/or other City staff to reach solutions;
- Work with citizens, residents to answer questions and resolve issues;
- Review 30%, 60%, 90% and final plans for all Right of Way work; specifically review construction feasibility and construction impacts such as haul routes, staging areas, and noise; and
- Maintain oversight of all permits in construction areas including anticipating/identifying conflicts or problems between permit activities.

The following positions are not currently funded by the Staffing Agreement:

Project Coordinator (Construction)

The Project Coordinator will manage and maintain permit and construction documentation for multiple permits occurring simultaneously at different locations by different contractors.

Typical tasks include:

- Managing all construction-related correspondence, inspectors' daily reports, material testing records, etc.
- Support and coordinate with Lead and other Construction/ROW Inspectors by coordinating inspection requests, preparing for meetings, maintaining meeting agendas and minutes, and documenting/tracking issues and resolutions;
- Manage and/or transfer as-built data to CityWorks asset management and GIS;
- Answering inquiries from City staff and Citizens related to construction inspection and operations;
- Assisting in maintenance of the City's Sound Transit information web pages; and
- Archiving records related to this project for all staff working on the project.

Construction/ROW Inspector

These positions will perform inspection of all construction activities in the Right of Way to ensure projects meet permit requirements, City and other codes or standards. Multiple projects will be occurring in multiple locations by multiple contractors which will require multiple inspectors.

Based on current information the following projects/phases will require frequent inspections:

- Frontage and other improvements at 145th Station
- Frontage and other improvements at 185th Station
- Realignment of roadways and other impacts associated with track construction
- Utility relocations associated with all elements of the project
- Other capital projects associated with mitigation (i.e. sidewalks, signal reconstruction)

Typical tasks include:

- Ongoing inspection of two light rail stations and light rail track alignment and structures (civil, utilities, frontage improvements, roadway relocations, street landscaping, etc.);
- Inspect for adequate traffic control;
- Coordinate with City and third-party utilities during construction;
- Maintaining clear written, photographic and video records of all construction under permits;
- Inspection of separate capital projects related to Sound Transit Lynnwood Link projects;

Attachment B

Staff Position	2016		2017		2017		2017		2017		2017		2018		2018		2018		2018						
	FTE	Salary, benefits and dir overhead	Q3 Cost 2016	FTE	Salary, benefits and dir overhead	Q4 Cost 2016	0-25	Salary, benefits and dir overhead	Q1 Cost 2017	0-25	Salary, benefits and dir overhead	Q2 Cost 2017	0-25	Salary, benefits and dir overhead	Q3 Cost 2017	0-25	Salary, benefits and dir overhead	Q4 Cost 2017	0-25	Salary, benefits and dir overhead	Q1 Cost 2018	0-25	Salary, benefits and dir overhead	Q2 Cost 2018	
PM - Transportation Planning/PM	1	\$ 79,000	\$41,177	0.25	\$ 79,000	\$20,500	60% Milestone Submittal	0.25	\$ 79,000	\$21,112	0.25	\$ 79,000	\$21,112	0.25	\$ 79,000	\$21,112	0.25	\$ 79,000	\$21,112	0.25	\$ 79,000	\$21,112	0.25	\$ 79,000	\$21,112
Project Administrative Assistant	0.5	\$ 63,488	\$16,505	1	\$ 63,488	\$33,010	Baseline and up to 90% Design	1	\$ 63,488	\$17,922	1	\$ 63,488	\$17,922	1	\$ 63,488	\$17,922	1	\$ 63,488	\$17,922	1	\$ 63,488	\$17,922	1	\$ 63,488	\$17,922
Planning & Community Development	1	\$ 71,000	\$41,177	1	\$ 71,000	\$41,177	1	\$ 71,000	\$41,177	1	\$ 71,000	\$41,177	1	\$ 71,000	\$41,177	1	\$ 71,000	\$41,177	1	\$ 71,000	\$41,177	1	\$ 71,000	\$41,177	
Partner, Associate	0	\$ 99,000	\$0	0	\$ 99,000	\$0	0.25	\$ 99,000	\$13,234	0.25	\$ 99,000	\$13,234	0.25	\$ 99,000	\$13,234	0.25	\$ 99,000	\$13,234	0.25	\$ 99,000	\$13,234	0.25	\$ 99,000	\$13,234	
Permit Technician (Technical Assistant)	0	\$ 56,539	\$0	0	\$ 56,539	\$0	0.26	\$ 56,539	\$7,854	0.26	\$ 56,539	\$7,854	0.26	\$ 56,539	\$7,854	0.26	\$ 56,539	\$7,854	0.26	\$ 56,539	\$7,854	0.26	\$ 56,539	\$7,854	
Building Inspector	0	\$ 88,000	\$0	0	\$ 88,000	\$0	0.5	\$ 88,000	\$23,803	0.5	\$ 88,000	\$23,803	0.5	\$ 88,000	\$23,803	0.5	\$ 88,000	\$23,803	0.5	\$ 88,000	\$23,803	0.5	\$ 88,000	\$23,803	
Breaker-Master/Plane Examiner, Structural	0	\$ 110,000	\$0	0.5	\$ 110,000	\$28,600	1.25	\$ 110,000	\$73,548	1.5	\$ 110,000	\$89,257	1.5	\$ 110,000	\$89,257	1.5	\$ 110,000	\$89,257	1.5	\$ 110,000	\$89,257	1.5	\$ 110,000	\$89,257	
PM - Engineering & Construction Services	1	\$ 79,000	\$41,177	1	\$ 79,000	\$41,177	1	\$ 79,000	\$41,177	1	\$ 79,000	\$41,177	1	\$ 79,000	\$41,177	1	\$ 79,000	\$41,177	1	\$ 79,000	\$41,177	1	\$ 79,000	\$41,177	
CIVIL/TRAFFIC ENGINEER	0.15	\$ 150,000	\$12,800	0.25	\$ 150,000	\$30,800	0.25	\$ 150,000	\$14,234	0.25	\$ 150,000	\$14,234	0.25	\$ 150,000	\$14,234	0.25	\$ 150,000	\$14,234	0.25	\$ 150,000	\$14,234	0.25	\$ 150,000	\$14,234	
ENGINEER (Traffic)	0.25	\$ 150,000	\$70,800	0.3	\$ 150,000	\$24,960	0.3	\$ 150,000	\$21,709	0.3	\$ 150,000	\$21,709	0.3	\$ 150,000	\$21,709	0.3	\$ 150,000	\$21,709	0.3	\$ 150,000	\$21,709	0.3	\$ 150,000	\$21,709	
Lead Construction/ROW Inspector	0	\$ 70,485	\$0	0	\$ 70,485	\$0	0	\$ 70,485	\$0	0.1	\$ 70,485	\$7,617	0.1	\$ 70,485	\$7,617	0.1	\$ 70,485	\$7,617	0.1	\$ 70,485	\$7,617	0.1	\$ 70,485	\$7,617	
Project Coordinator (Coord.)	0	\$ 95,000	\$0	0	\$ 95,000	\$0	0	\$ 95,000	\$0	0	\$ 95,000	\$0	0	\$ 95,000	\$0	0	\$ 95,000	\$0	0	\$ 95,000	\$0	0	\$ 95,000	\$0	
Construction/ROW Inspector	0	\$ 98,000	\$0	0	\$ 98,000	\$0	0	\$ 98,000	\$0	0	\$ 98,000	\$0	0	\$ 98,000	\$0	0	\$ 98,000	\$0	0	\$ 98,000	\$0	0	\$ 98,000	\$0	
Profits on Fee	0.1	\$ 60,835	\$11,164	0.1	\$ 60,835	\$11,164	0.1	\$ 60,835	\$11,164	0.1	\$ 60,835	\$11,164	0.1	\$ 60,835	\$11,164	0.1	\$ 60,835	\$11,164	0.1	\$ 60,835	\$11,164	0.1	\$ 60,835	\$11,164	
TOTAL FTE by District	4.75		\$373,606	5.4		\$303,919	7.41		\$411,919	7.96		\$422,214	7.77		\$373,606	7.85		\$413,019	7.6		\$444,073	7.6		\$488,665	

Current Staff

- Staff Position
- Annual Salary and Incentive
- Project Director, Senior Planner and Development Review Engineer, Title 19.52.13.1 Account

Consultant Rates

- Hourly rates include salary & benefits and "direct overhead"
- Hourly rates factor out vacations, sick leave, and training for total hours actually worked in a year 1768.
- Direct overhead includes:
 - One-time costs associated with positions
 - amultitask to include, computer, desk phone, cubicle/desk, and chair.
 - Ongoing costs associated with staff include, cell phone, office supplies, travel and training.
- Direct overhead does not include manager oversight.
- Staff positions annual rate increase is based on 10 year Financial Sustainability Plan.
- Consultant estimate
- Annual rate escalation current with consultant rates.

PM - Transportation Planning/PM

Year	2016	2017	2018	2019	2020	2021	2022	2023
Project Manager (Engineer III)	\$ 79,000	\$ 81,200	\$ 83,400	\$ 85,600	\$ 87,800	\$ 90,000	\$ 92,200	\$ 94,400
Administrative Support	\$ 50,400	\$ 51,700	\$ 53,000	\$ 54,300	\$ 55,600	\$ 56,900	\$ 58,200	\$ 59,500
Construction Coordinator	\$ 57,600	\$ 59,400	\$ 61,200	\$ 63,000	\$ 64,800	\$ 66,600	\$ 68,400	\$ 70,200

PM - Engineering & Construction Services

Year	2016	2017	2018	2019	2020	2021	2022	2023
Planner, Senior	\$ 70,600	\$ 72,600	\$ 74,600	\$ 76,600	\$ 78,600	\$ 80,600	\$ 82,600	\$ 84,600
Planner, Associate	\$ 62,100	\$ 63,800	\$ 65,500	\$ 67,200	\$ 68,900	\$ 70,600	\$ 72,300	\$ 74,000
Technical Assistant	\$ 66,100	\$ 67,600	\$ 69,100	\$ 70,600	\$ 72,100	\$ 73,600	\$ 75,100	\$ 76,600
Plan Examiners, Structural	\$ 78,900	\$ 80,700	\$ 82,500	\$ 84,300	\$ 86,100	\$ 87,900	\$ 89,700	\$ 91,500

PM - Engineering & Construction Services

Year	2016	2017	2018	2019	2020	2021	2022	2023
Engineer II (Civil/Struct)	\$ 79,400	\$ 81,200	\$ 83,000	\$ 84,800	\$ 86,600	\$ 88,400	\$ 90,200	\$ 92,000
Engineer II (Traffic)	\$ 79,400	\$ 81,200	\$ 83,000	\$ 84,800	\$ 86,600	\$ 88,400	\$ 90,200	\$ 92,000
Lead Construction/ROW Inspector	\$ 70,400	\$ 72,400	\$ 74,400	\$ 76,400	\$ 78,400	\$ 80,400	\$ 82,400	\$ 84,400
Project Coordinator (Coord.)	\$ 90,400	\$ 92,400	\$ 94,400	\$ 96,400	\$ 98,400	\$ 100,400	\$ 102,400	\$ 104,400
Construction/ROW Inspector	\$ 62,100	\$ 63,900	\$ 65,700	\$ 67,500	\$ 69,300	\$ 71,100	\$ 72,900	\$ 74,700

DOES INCLUDE

- All Permit fees (building, land use and ROW)
- Up to 100% design
- Over-the-shoulder
- Midwestern review

DOES NOT INCLUDE

- Recording fees (essays, last lines, ROW)
- Post building inspections (except early work)
- No permit fees (except early work)
- ROW inspection (boundary redlines, frontage improvements, utility redlines), frontage
- No permit fee utility redlines (sewer related permits)
- Over-all coordination after 100%

100% \$ 1,979,931.49

MOTION NO. M2016-68

Expedited Permitting and Reimbursement Agreement with the City of Shoreline for the Lynnwood Link Extension

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	7/14/2016	Final Action	Ahmad Fazel, DECM Executive Director Rod Kempkes, Executive Project Director - Lynnwood Link Michelle Ginder, Light Rail Development Manager

PROPOSED ACTION

Authorizes the chief executive officer to execute an Expedited Permitting and Reimbursement Agreement with the City of Shoreline for the Lynnwood Link Extension in the amount of \$2,000,000, with a 10% contingency of \$200,000, for a total authorized agreement amount not to exceed \$2,200,000.

KEY FEATURES SUMMARY

- This action provides for expedited permitting and design review services by the City of Shoreline for the portion of the Lynnwood Link Extension within the City’s jurisdiction.
- The scope of the agreement includes:
 - Expedited design review and project permitting.
 - Payment provisions for services provided by the City of Shoreline.
 - Specified submittal review turnaround periods.
- The agreement will expedite ongoing design review throughout the final design phase of the project to avoid the risk of major revisions during the permitting phase.
- This action covers City staff time that would otherwise be covered by permit fees. Construction inspection and other construction phase services by the City will not be included in the agreement and may be included in a future agreement after the project is baselined.
- The Shoreline City Council is scheduled to take action on this agreement on July 25, 2016. Execution of this agreement is contingent on that approval.

BACKGROUND

The Lynnwood Link Extension is an 8.5-mile light rail extension from Northgate to Lynnwood with service to the cities of Shoreline, Mountlake Terrace, and Lynnwood. The extension will travel primarily along I-5 and include four stations at NE 145th Street, NE 185th Street, Mountlake Terrace Transit Center, and Lynnwood Transit Center. New parking structures will be constructed at NE 145th Street, NE 185th Street, and Lynnwood Transit Center. The project began final design in 2016 and is scheduled to open for service in 2023.

The Lynnwood Link Extension Final Environmental Impact Statement was issued in April 2015, in compliance with the State Environmental Policy Act (SEPA) and the National Environmental Policy Act (NEPA). The Sound Transit Board selected the project route, profile, and stations on April 23, 2015. The Federal Transit Administration issued a NEPA Record of Decision (ROD) for the project on July 10, 2015 and the Federal Highway Administration issued a Record of Decision on August 31, 2015, completing the NEPA process.

Under this agreement, the City of Shoreline will provide expedited permitting services to provide coordination between the Sound Transit final design team and all involved City departments. The proposed agreement will engage City staff in ongoing design collaboration with Sound Transit to maintain the design schedule for the Shoreline portion of the Lynnwood Link Extension. The agreement will provide reimbursement to the City of Shoreline to employ temporary staffing resources to expedite ongoing design review throughout the final design phase of the project and avoid the risk of major revisions during the permitting phase.

Construction inspection and other construction phase services by the City will not be included in the agreement and may be included in a future agreement after the project is baselined.

Future Board actions will baseline the project budget and schedule (Phase Gate 5) at approximately the mid-point of final design, and authorize construction (Phase Gate 6) at the completion of final design.

PROJECT STATUS

Project Identification	Alternatives Identification	Conceptual Engineering	Preliminary Engineering	Final Design	Construction
-------------------------------	------------------------------------	-------------------------------	--------------------------------	---------------------	---------------------

Projected Completion Date for Final Design Phase: Q2 2018
 Project scope, schedule, and budget summary located on pages 33-35 of the March 2016, Agency Progress Report.

FISCAL INFORMATION

This action is within the adopted budget and sufficient monies remain after approval of the action to fund the remaining work in the Third Party phase as contained in the current cost estimates of this project.

The total project budget in the 2016 Transportation Improvement Plan (TIP) for the Lynnwood Link Extension is \$487,861,000. Within that amount, \$2,200,000 has been set aside for Other Third Parties in the Third Party phase. The proposed action would commit \$2,200,000 for this line item, and leave no remaining budget balance.

Consistent with Board’s Budget policy, staff transferred \$2,200,000 from Third Party phase unallocated contingency to Other Third Parties. This transfer within the Third Party phase of the project took place in June 2016 to provide sufficient budget for this line item to fund the proposed action.

Lynnwood Link Extension	2016 TIP	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Agency Administration	88,305	9,326		9,326	78,979
Preliminary Engineering	42,000	41,244		41,244	756
Final Design	111,453	83,713		83,713	27,739
Right of Way	123,779	8,039		8,039	115,740
Construction	-	-		-	-
Construction Services	104,925	13,928		13,928	90,997
Third Party Agreements	17,400	2,133	2,200	4,333	13,067
Vehicles	-	-		-	-
Contingency	-	-		-	-
Total Current Budget	487,861	158,383	2,200	160,583	327,278

Phase Detail

Third Party

Other Third Parties	2,200	-	2,200	2,200	-
Other Third Party Agreements	15,200	2,133		2,133	13,067
Total Phase	17,400	2,133	2,200	4,333	13,067

Contract Detail

City of Shoreline	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Contract Amount	-	-	2,000	2,000
Contingency	-	-	200	200
Total	-	-	2,200	2,200
Percent Contingency	0%	0%	10%	10%

Notes:

Amounts are expressed in Year of Expenditure \$000s.

Board Approvals = Committed To-Date + Contingency, and includes pending Board actions.

2016 TIP = Lynnwood Link Extension project budget located on page 17 of the Adopted 2016 Transit Improvement Plan (TIP).

SMALL BUSINESS/DBE PARTICIPATION

Not applicable to this action.

PUBLIC INVOLVEMENT

Following identification of the preferred alternative in late 2013 for evaluation in the Final EIS, public outreach during preliminary engineering and preparation of the Final EIS included periodic community updates via newsletter and e-mail, and briefings as requested. Potentially affected property owners were notified and updated on real estate process and schedule, and notices were sent to residents near soil and noise testing locations before field work began. In 2015, several specific outreach activities advertised the availability of the Final EIS and highlighted opportunities for the public to provide further input to the Sound Transit Board before the Board’s project selection. During final design, the project will host public open house events at the 30%, 60%, and 90% design milestones, and will conduct focused outreach with affected property owners for acquisition and field work activities.

TIME CONSTRAINTS

A one-month delay would not create a significant impact to the project schedule.

PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2015-30: Amended the 2015 Adopted Budget to (1) increase the lifetime capital budget for the Lynnwood Link Extension by \$423,742,313 from \$64,118,687 to \$487,861,000, (2) increases the 2015 Annual Budget by \$2,329,890 from \$16,324,776 to \$18,654,671; and (3) authorizes the project to advance through Gate 4 within Sound Transit's Phase Gate Process.

Resolution No. R2015-05: Selected the route, profile and stations for the Lynnwood Link Extension.

ENVIRONMENTAL REVIEW

JI 7/6/2016

LEGAL REVIEW

JW 7/5/2016

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Motion to Authorize the City Manager to Enter into a Contract with Woolpert, Inc. in the Amount of \$156,476 for the Implementation of Cityworks for Parks and Recreation and Ronald Wastewater
DEPARTMENT:	Administrative Services Department
PRESENTED BY:	Katie Moriarty, Information Technology Manager
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

The City has invested in the Cityworks Computerized Maintenance Management System (Asset Management) for Public Works, Fleet and Facilities. The implementation of Cityworks for Parks and Recreation and Ronald Wastewater (sewer utility) is included in the Strategic Technology Plan for a 2017 implementation. This will complete the implementation of Cityworks for the City, and will facilitate the action steps necessary for assumption of the Ronald Wastewater District (RWD) through the incorporation of the RWD assets in the City's computerized system. RWD staff will also be familiar with the computerized system well before assumption. Tonight's action would authorize the City Manager to enter into a contract with Woolpert, the City's contracted vendor that has helped the City implement Cityworks on the first and second phases of this project.

RESOURCE/FINANCIAL IMPACT:

The cost for the professional services required for this project is \$156,476. The original cost proposed in the Strategic Technology Plan for implementation services for both Parks and RWD was \$200,000. The cost estimate from Woolpert for the combined RWD and Parks implementation is \$142,901 (\$156,476 including tax). The reduction of cost will yield significant savings to both the City and RWD. There will be additional licensing required due to the inclusion RWD in the amount of \$16,425 which will be funded by RWD.

The following deliverables are included in the scope of work from Woolpert:

- Project Management -- \$21,383
- Implementation Planning -- \$22,376
- System Design and Configuration -- \$45,700
- System Deployment -- \$23,040
- Quality Assurance and Quality Control -- \$1,257

The estimate for vendor expenses is \$29,145.

The total project cost for this phase of the project is included in the Administrative Services Information Technology amended budget for 2016. 50% of the cost of the project will be borne by RWD, and the City will invoice Ronald upon completion of each phase of the contract.

RECOMMENDATION

Staff recommends that the Council move to authorize the City Manager to execute a contract with Woolpert, Inc. in the amount of \$156,476 for the implementation of Cityworks for Parks and Recreation and Ronald Wastewater.

Approved By: City Manager ***DT*** City Attorney ***MK***

BACKGROUND

The City has selected Cityworks for its Computerized Maintenance Management System (Asset Management). The system was implemented first for the City's Surface Water Utility in 2013, and for the remainder of Public Works, Fleet and Facilities in 2015. The Strategic Technology Plan included the implementation of Cityworks for Parks and Recreation and Ronald Wastewater in 2017. However, the Ronald Wastewater District (RWD) approved funding for the implementation of Cityworks as a part of their 2016 budget. A concurrent Parks and RWD Cityworks implementation was planned in order to gain a reduced cost from Woolpert, the City's contracted Cityworks implementation vendor, by reducing the number of trips to Woolpert will need to make to Shoreline and focusing on the configuration of the system one time for two groups, versus two separate configurations.

DISCUSSION

The implementation of Cityworks for Parks and Recreation and Ronald Wastewater is included in the City of Shoreline Strategic Technology Plan and was estimated to cost \$200,000. The intent was to merge the assets of RWD with the City's assets upon assumption. RWD has a very old asset system that is in urgent need of replacement. The RWD Board of Commissioners has appropriated funding for implementation of the Cityworks software and has agreed to migrate to the City's Cityworks environment. This will result in an easy transition to a comprehensive asset management system upon assumption of the District by the City. RWD's assets will already be housed in the City's Computerized Asset Management System, and RWD staff will already be trained and using the application at the time of assumption in October 2017.

Parks and Recreation is included in this project to derive an economy of scale. Parks has moved forward with an inventory of their assets, which are now housed in the City's GIS system and ready for use as the foundation for Cityworks.

This project will complete the implementation of the Cityworks application for the City. The system will provide a tool to measure the costs, risks, and lifecycle of the City's assets through a formal Asset Management Program.

RESOURCE/FINANCIAL IMPACT

The cost for the professional services required for this project is \$156,476. The original cost proposed in the Strategic Technology Plan for implementation services for both Parks and RWD was \$200,000. The cost estimate from Woolpert for the combined RWD and Parks implementation is \$142,901 (\$156,476 including tax). The reduction of cost will yield significant savings to both the City and RWD. There will be additional licensing required due to the inclusion RWD in the amount of \$16,425 which will be funded by RWD.

The following deliverables are included in the scope of work from Woolpert:

- Project Management -- \$21,383
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The total project cost for this phase of the project is included in the Administrative Services Information Technology amended budget for 2016. 50% of the cost of the project will be borne by RWD, and the City will invoice Ronald upon completion of each phase of the contract.

RECOMMENDATION

Staff recommends that the Council move to authorize the City Manager to execute a contract with Woolpert, Inc. in the amount of \$156,476 for the implementation of Cityworks for Parks and Recreation and Ronald Wastewater.

ATTACHMENTS

Attachment A: Woolpert, Inc. Statement of Work - Implementation of Shoreline's Maintenance Management System for Parks and Recreation and Ronald Wastewater District



STATEMENT OF WORK

Implementation of Shoreline's Maintenance Management System for Parks and Recreation and Ronald Wastewater District

City of Shoreline

May 3, 2016

Prepared by Woolpert, Inc.
116 Inverness Drive East
Denver, Colorado 80112

www.woolpert.com

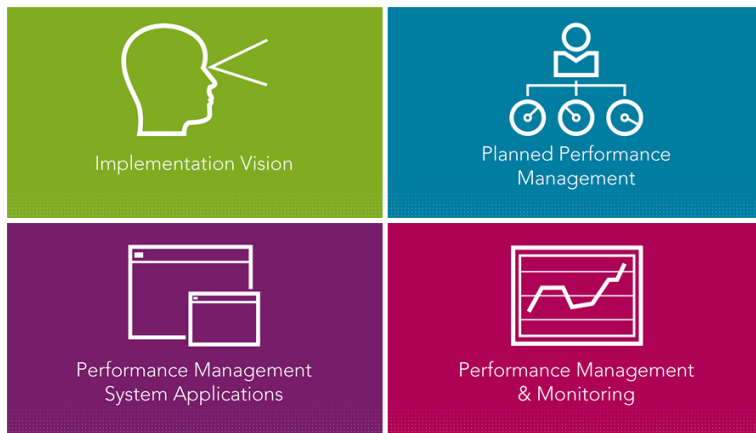
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Overview



Woolpert’s Asset Management System Implementation projects are focused on delivering a comprehensive set of management strategies, technology tools, and asset management best practices that support our clients’ planned asset sustainability performance objectives. **This represents the project approach to implement Cityworks for the Parks and Recreation Department and Ronald Wastewater District. This Scope of Services was developed**

based on the past successful projects and implementations between Woolpert and the City of Shoreline. Some tasks Woolpert would normally perform in an implementation (e.g.: Enterprise Strategy Workshop) will not be performed in this project, since it has already been completed for the City in a previous Scope of Services.

Woolpert’s implementation approach begins by first understanding your Asset Management (AM) Vision and then defining the Planned Performance Management strategies to achieve the Vision. Then Woolpert will design and deploy the Performance Management System Application (Cityworks AMS) required to support sustained Performance Management & Monitoring activities that are aligned with your long-term Enterprise Asset Management Program objectives.

There are many related Tasks and Sub-Tasks that have to be properly managed, executed, delivered, and accepted to ensure a successful outcome of a high-value Cityworks AMS Enterprise Asset Management System deployment. **Woolpert’s proven project methodology fully addresses all aspects of this complex project and ensures all critical success factors are fully addressed in a logical order.**

Services, and associated deliverables, are categorized into several groupings called phases, as more fully detailed in the following sections. Completion of each phase will culminate with the execution of a Phase Acceptance and Close document signifying the City’s acceptance of the services rendered to date and authorization for Woolpert to proceed with work on subsequent phases. In some cases, work in later phases will not begin until the deliverables in previous phases have been accepted by the City. In other cases, work in multiple phases will occur simultaneously.

The Cityworks AMS solution will be configured per this Scope of Services to support the following groups within the City:

- Parks and Recreation
- Ronald Wastewater District

Implementation Approach

The Woolpert Implementation Approach will consist of the following:

- Phase 1: Project Management
- Phase 2: Implementation Planning
- Phase 3: System Design and Configuration
- Phase 4: System Deployment

Woolpert has developed a four-phased approach to implementing content rich enterprise asset management solutions. Each of the three technical phases is executed in conjunction with continuous Project Management, and is designed with an emphasis on Knowledge Transfer, Change Readiness, and Quality Management activities. Deliberate execution of each phase, including continuous client involvement and feedback enables Woolpert to ensure a successfully planned, designed, configured, and deployed asset management solution that is used and useful immediately upon “Go-Live”.

Specific phase tasks and deliverables are identified within our Scope of Work document. Completion of the specified tasks and deliverables, to agreed-upon standards, is signified by a Phase Acceptance certificate which the client Project Manager signs, thereby accepting the delivered services and work-product. The executed Phase Acceptance and Close-out process clears the way to proceed with the subsequent phase.

Each of the three phases, depicted in the following Implementation Phase diagram, are presented in detail in the Scope of Work section of our response.

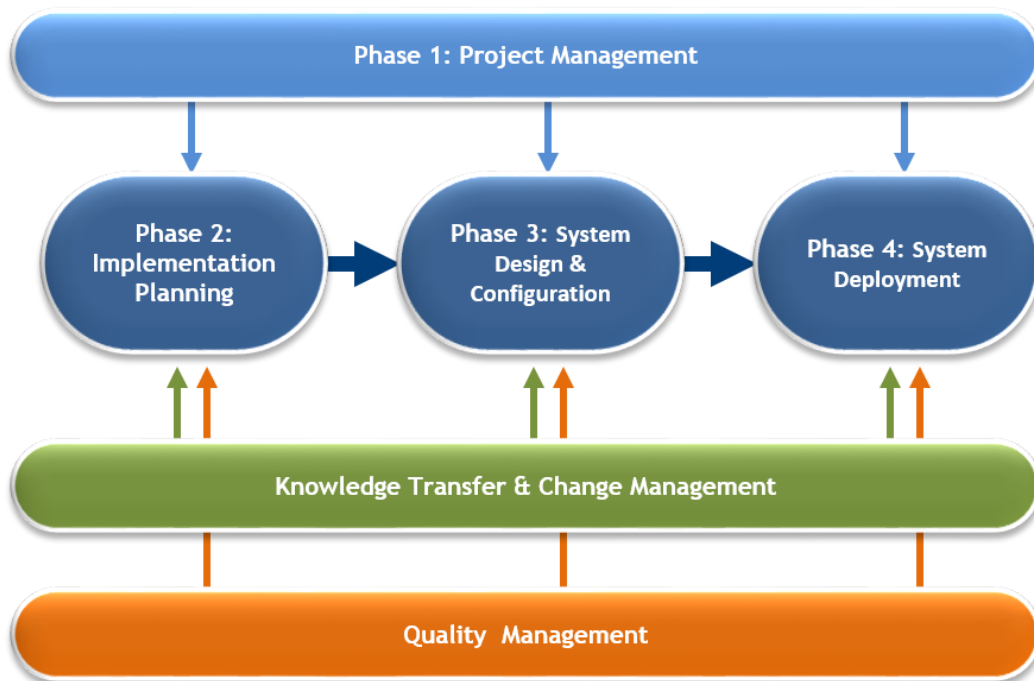


Figure 1: Implementation Phases

Woolpert has found that the following three items are critical elements in our successful implementations. We intentionally include tasks related to each throughout every phase and in nearly every task in our project. As you read our full Scope of Work, these three icons indicate where the elements are embedded within the tasks.



KNOWLEDGE TRANSFER: Onsite workshops and collaborative, web-based meetings designed to increase interaction between Woolpert and County Team Members.



CHANGE READINESS: Tasks designed to identify readiness concerns early in the project so they can be addressed well before Go-Live.



QUALITY MANAGEMENT: Deliverables go through a peer review process so that Woolpert projects all produce similarly high-quality work product.

Phase 1 – Project Management

Woolpert’s Project Management approach provides the resources and tools needed to successfully manage the project through all phases / processes, including:

- **Initiation:** project authorizations and expectations
- **Planning:** project definitions, objectives, deliverables, analysis of alternatives
- **Execution:** coordination of resources, quality management, product and service delivery
- **Monitoring and Controlling:** monitoring and measuring to identify variances and imitate corrective actions
- **Close-Out:** acceptance of project deliverables and results

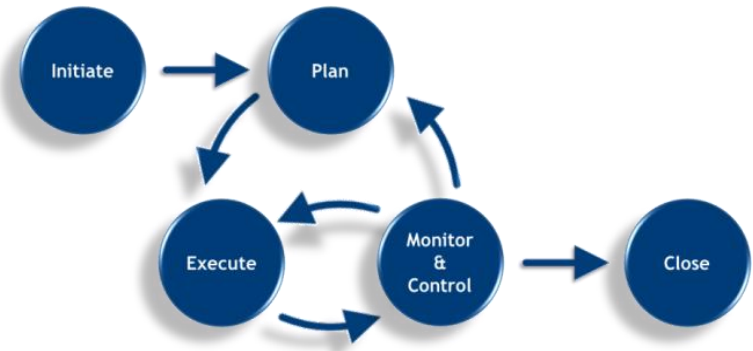


Figure 2: Project Life-Cycle Process Groups

To fulfill each of these objectives, Woolpert will employ the various project management tools described in the following sections:

Project Kick-Off Meeting

As soon as is reasonably feasible, following receipt of the Written Notice to Proceed, the Woolpert Project Manager will work with the City Project Manager to schedule a Project Kick-Off Meeting. This meeting will be facilitated onsite at City facilities for the purpose of: 1) establishing the necessary project management protocols to be adhered to by all stakeholders, 2) reviewing the City’s implementation goals and objectives with all team members, 3) identifying any City-owned source documentation necessary to support the project, 4) identifying all critical path schedule milestones, and 5) addressing any outstanding scope or schedule questions that City stakeholders may have. Said meeting shall be of a duration suitable for addressing each of the items previously listed. Development of the kick-off meeting agenda shall be the joint responsibility of Woolpert’s and the City’s Project Managers.

Deliverables

- Kickoff meeting agenda
- On-site project kick-off meeting (half day)

Assumptions

- The activities discussed in this section will begin once a Written Notice-to-Proceed is received
- Six (6) months of project management is included in the project fee

City Responsibilities

- Schedule meeting space and supporting technology peripherals suitable for the kick-off meeting
- Coordinate and schedule meeting attendees

Ongoing Project Management Tasks

Woolpert will provide the following ongoing project management tasks, as defined in this scope of services, throughout the project.

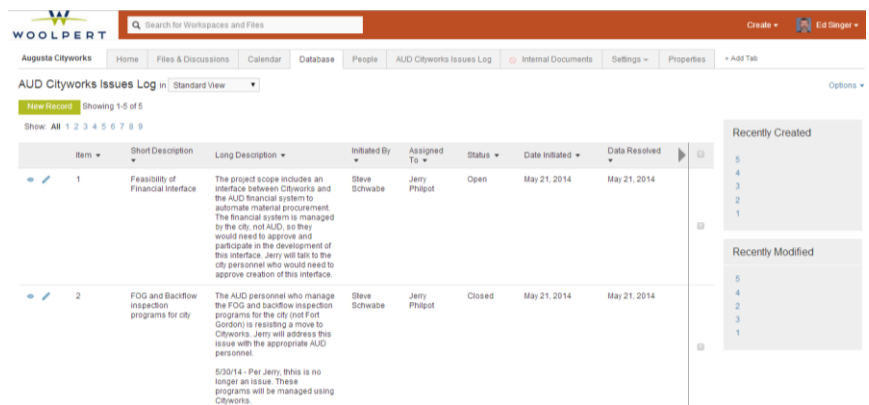
Project Administration

Woolpert and the City will co-author a Project Plan document to more fully detail items that cannot be thoroughly defined prior to the development of this scope of services. The Project Plan will be a living document that is expected to be updated as necessary throughout the project. Items detailed in the Project Plan will include:

- **Project Participants.** Document will include contact information and the role(s) and general responsibility of each project participant.
- **Budget Management and Invoicing.** Document will include details about how the project fees will be managed for each phase / task and how the invoice will be presented such that it contains the information required for prompt payment by City.
- **Communication Plan.** Document will detail how Woolpert and City project participants will communicate.
- **Quality Management Plan.** Document will list all significant project deliverables and assign a Woolpert resource to perform QAQC prior to delivery to City
- **Document Transmittals.** Document will define acceptable means for document transmittals between Woolpert and City project participants.
- **Risk Management / Issue Logging.** Document will define how risk and issues will be recorded and managed to completion.

Woolpert will provide the following general project management services:

- Develop, in cooperation with the City's Project Manager, a project plan and schedule;
- Proactively manage and update project plan and schedule, as required, throughout the duration of the project. Project plan and schedule modifications will be facilitated upon common agreement between the City and Woolpert Project Managers in accordance with the issue control process detailed in the project plan;



Item	Short Description	Long Description	Initiated By	Assigned To	Status	Date Initiated	Date Resolved
1	Feasibility of Financial Interface	The project scope includes an interface between Cityworks and the AUD financial system to automate material procurement. The financial system is managed by the city, not AUD, so they would need to approve and participate in the development of this interface. Jerry will talk to the city personnel who would need to approve creation of this interface.	Steve Schwabe	Jerry Philpot	Open	May 21, 2014	May 21, 2014
2	FOG and Backflow inspection programs for city	The AUD personnel who manage the FOG and backflow inspection programs for the city (staff Rust Gordon) is requesting a move to Cityworks. Jerry will address this issue with the appropriate AUD personnel. 5/30/14 - Per Jerry, this is no longer an issue. These programs will be managed using Cityworks.	Steve Schwabe	Jerry Philpot	Closed	May 21, 2014	May 21, 2014

Figure 3: Woolpert's Project Collaboration Web Site

- Coordinate project events with the City Project Manager and Woolpert team members;
- Author, edit, review, and distribute project documentation and technical reports as required;
- Facilitate in-process review meetings with the City Project Manager, committees, management, and end-users as scheduled, and appropriate, throughout the duration of the project;
- Maintain a secure project collaboration web site to post project schedule details, in-process tasks and responsible parties, technical documentation, as well as other project collaboration tools;

- Perform miscellaneous project administration (e.g. arrange travel, internal project updates); and
- Anticipate problem areas and propose and facilitate solutions

Deliverables

- Woolpert to create DRAFT and FINAL project plan and submit them to the City Project Manager
- Woolpert to create Monthly project status reports and submit them to the City Project Manager
- Woolpert to provide on-going project management, including resource allocation and scheduling, invoicing and general consulting
- Woolpert to provide a password protected project collaboration environment and issue log management

Assumptions

- The activities discussed in this section will begin once a Written Notice-to-Proceed is received from the City

City Responsibilities

- Assemble a team of domain and technical experts and have representation of all divisions / departments / work groups / stakeholders involved throughout each project phase, as appropriate, of the project
- Provide a point of contact for all project management issues and questions
- Review, comment and accept draft project work plan within five days of document delivery
- Schedule appropriate internal staff and provide facilities for onsite meetings and off-site conference calls
- Review and accept project status reports, or otherwise provide comments within a reasonable time frame

Project Schedule Coordination

Project schedule coordination and management will be performed using Microsoft Project software. Project schedules and tasks will be monitored and adjusted as needed, depending upon the City’s priorities and ability to make its staff and facilities available at the appropriate times throughout the project. An updated project schedule delineating resources, scheduled tasks, and completed tasks will be maintained and available to all Woolpert and City project participants.

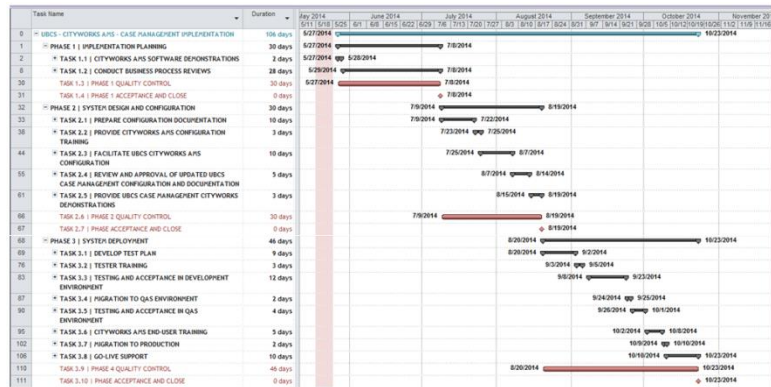


Figure 4: Microsoft Project Gantt Chart

Deliverables

- Woolpert to maintain a project schedule in Microsoft Project and to update the project schedule with significant changes and percent completes on a regular basis

Assumptions

- The activities discussed in this section will begin once a Written Notice-to-Proceed is received from the City

City Responsibilities

- City to participate in project schedule reviews on a regular basis

Project Manager Status Meetings

Woolpert will facilitate regular Project Manager Status Meetings with the City Project Manager. The Woolpert Project Manager and other Woolpert project team members, as appropriate, will participate in regularly scheduled project status meetings with the City Project Manager and designees, as appropriate, for the purpose of reviewing project progress and issues including: 1) on-going and upcoming project activities, 2) open issues and action items, 3) deliverables completed which require acceptance and upcoming deliverables, and 4) technical or contractual issues that require action. Woolpert meeting participants will include Woolpert’s Project Manager and ad hoc team members, as required. City meeting participants will be as determined by the City Project Manager, or as requested by the Woolpert Project Manager.

When feasible, Project Manager Status Meetings will be held onsite at City facilities in conjunction with other scheduled onsite tasks. Otherwise, Project Manager Status Meetings will be facilitated remotely using teleconference and web meeting tools.

Deliverables

- Woolpert to facilitate monthly Project Manager meetings
- Woolpert to author Meeting Minutes for each Project Manager meeting and to upload the minutes to project website, as required

Assumptions

- The activities discussed in this section will begin once a Written Notice-to-Proceed is received from the City



City Responsibilities

- City to schedule appropriate internal staff and provide facilities for on-site meetings and off-site conference calls
- City to review and accept project status reports, or otherwise provide comments within a reasonable time frame
- City to schedule meeting space and supporting technology peripherals suitable for on-site meetings
- City to coordinate and schedule meeting attendees



Internal Coordination Meetings

Internal Woolpert-resource coordination meetings will be held on a regular basis to ensure continuous communication about tasks in process, scheduled tasks, and any issues impacting a successful implementation. The Woolpert Project Manager will utilize these meetings to gather information from project team members required to manage on-going resource loading.

Deliverables

- Regularly scheduled internal coordination meetings attended by Woolpert team members

Assumptions

- The activities discussed in this section will begin once a Written Notice-to-Proceed is received from the City
- These activities are included in this scope of services for the first one hundred (100) weeks of the project; At that time, Woolpert and the City will determine the best method to continue to manage the project

City Responsibilities

- None

Phase 2 – Implementation Planning

The Implementation Planning tasks are performed for the purpose of verifying / establishing and documenting a clear purpose for, and vision of, the enterprise Cityworks AMS solution implementation. Functional and technical requirements that were published in the request for proposal are reviewed between Woolpert’s implementation team and City stakeholders, managers and implementation / technical team leads in order to align goals and expectations and to establish critical success factors as a means to measure implementation milestones.

Woolpert will facilitate a number of planning tasks in order **to identify, validate, and document the City’s vision, goals and objectives** of this asset management system implementation as well as the key **asset management metrics** that the solution must support. In those instances where the City’s implementing

divisions do not yet have well-defined metrics, the Woolpert implementation team will provide examples used by similar organizations that the City can adopt and/or grow into as use of the system matures.



The planning tasks will set the stage for the project. The Familiarization Training is meant to expose the Implementation Team (and all end users, if their schedule allows), the ability to understand the capabilities of Cityworks AMS. It is a key initial change management step in our methodology. It is the first of many software demonstrations throughout the project. The Business Process Review tasks establish a common set of workflows that will be adopted by all implementing divisions, modified only as absolutely necessary, and provide a set of global configuration settings for the Cityworks solution. These common set of workflows have already been adopted by the City, so the focus of this task is to review these common workflow and focus on unique workflows to the Divisions part of this particular project. Also included in these workshops will be validation of the **current state of the asset repository** for each division, as well as their **future desired mobile computing capabilities**.

Key Implementation Planning (Phase 2) Deliverables

- Familiarization Training
- Review Performance Measures and Reports
- Business Process Review
- Geodatabase Design Support
- Migration Analysis

Task 2.1: Asset Management Visioning

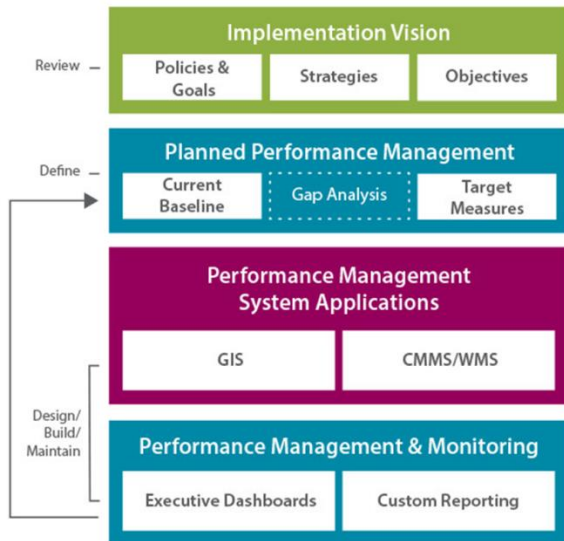


Figure 5: Performance Management Roadmap

Woolpert certified Asset Management Professionals will jointly facilitate a series of Asset Management Visioning workshops, one with each of the divisions listed in the RFP, for the purposes of: 1) understanding the City’s and each division’s over-arching corporate enterprise solution objectives and strategies; 2) aligning the City’s stated technical and functional requirements with the governing project plan; and 3) identifying and documenting any critical performance requirements that have not been adequately addressed to date (critical / unique asset performance measures / metrics, system integrations, unique workflows, specific reporting requirements, data conversion requirements, etc.)

Ultimately, we are utilizing these workshop opportunities to engage the City’s management team and stakeholders to define performance metrics that align with the corporate policies, goals, strategies, and objectives, we are able to establish the desired “to-be” position at the very onset of the project.

Figure 5 - Performance Management Roadmap, illustrates how the implementation planning discovery is used to align implementation goals and objectives and establish the requisite implementation road map.

Any program elements that are discovered during this process that are not part of the Project Scope of Services will be presented to the City’s management team for consideration. At their discretion, the City’s management team may elect to: 1) have these added to a revised Project Plan for inclusion in the core

project implementation; 2) swapping them into the scope while eliminating other elements from the scope; or 3) place them in a “parking lot” for future consideration outside of the scope of this implementation plan. Depending upon the City’s decision, Woolpert will make any necessary adjustments to the Project Plan and obtain acceptance from the City.

Related Sub-Tasks

2.1	Asset Management Visioning	N/A
2.1.1	Provide Performance Measures and Reports - CLIENT-OWNED TASK	N/A
2.1.2	Review Performance Measures and Reports	off-site
2.1.3	Performance Measures Review Workshop	on-site
2.1.4	Document Performance Measure Configuration Recommendations	off-site
2.1.5	Review Performance Measure Configuration Recommendations - CLIENT-OWNED TASK	N/A
2.1.6	Hold Meeting to Discuss the City's Review	off-site
2.1.7	Update Documentation from the City Review	off-site

Deliverables

- Woolpert will develop an Request for Information (RFI) and perform a desktop review of the data provided by the City Project Manager and prepare for the Visioning Workshops
- Woolpert’s Project Manager and a Subject Matter Specialist will facilitate a series of discovery workshops, on-site at City facilities, over the course of one (1) business day; Woolpert has allocated the one day of workshops as follows:
 - Wastewater – up to four (4) hours
 - Parks and Recreation – up to four (4) hours
- Woolpert will document the workshop discussions and findings in the form of a Technical Memorandum and submit it to the City Project Manger
- Woolpert will facilitate a remote conference call meeting with the City to review the contents of the Technical Memorandum. The conference call meeting will be up to four (4) hours in duration

Assumptions

- City Project Manager will provide the Data gathered from the Request for Information no later than one (1) week prior to the scheduled workshops
- All activities, other than the actual workshops, will be performed remotely
- The workshops will take place during the same business week (Monday – Friday) and the project kick-off meeting
- City Project Manager will ensure site readiness and staff participation for the workshops

City Responsibilities

- City Project Manager will facilitate the data gathering process to collect the information detailed in Woolpert’s RFI.
- City Project Manager will secure appropriate meeting facilities in which Woolpert will conduct the workshops
- City Project Manager will schedule all City workshop attendees
- All identified City workshop attendees will actively participate in the on-site meetings without undue interruption

- City Project Manager and City Management Team and Stakeholders will review the Technical Memorandum and provide feedback to Woolpert in a timely fashion
- City Project Manager and the City Implementation team members will participate in a remote conference call review meeting with the Woolpert Project Manager

Task 2.2: Provide Cityworks AMS Software Demonstrations



As part of Woolpert’s continuous knowledge transfer and change control efforts, we provide a series of software demonstrations to all City future system end users.

Woolpert will facilitate a series of on-site software demonstrations for the purpose of introducing the entire City user community to the core functionality and features of the

Cityworks AMS software applications. For many, this will be their first exposure to the new Cityworks software. These demonstrations will provide an initial overview of the features and functions of the core Cityworks software. For the City Implementation Team and Technical Team, this demonstration will serve as a basis for on-going software exposure and knowledge transfer that will increase in frequency and complexity as the project progresses through the subsequent phases. The on-site software demonstrations will be facilitated at least twice over a days to accommodate City employee schedules.

This task doubles as an opportunity for the City to evaluate the readiness of their workforce. It is an early look at each department staff’s eagerness or apprehension of the upcoming change. Notable concerns can be addressed well before the software is ready to go-live, giving the City the opportunity maximize end-user buy-in at Deployment.

Related Sub-Tasks

2.2	Provide Cityworks AMS Software Demonstrations	N/A
2.2.1	Prepare Training Agendas	off-site
2.2.2	Facilitate Training	on-site

Deliverables

- Woolpert will develop a Software Demonstration agenda and provide to the City Project Manager
- Woolpert will provide a Woolpert Project Manager and a Senior Systems Analyst onsite for one (1) business day to facilitate the Software Demonstrations

Assumptions

- Software Demonstrations will be facilitated utilizing the newly installed on-premise Cityworks software environment, including the use of a sample Cityworks AMS/PLL database OR using a designated Woolpert laptop.
- City Project Manager will ensure site readiness and staff participation for the Software Demonstrations
- City Project Manager will provide a conference room or training room with a projector. During the Software Demonstrations, individual computers are not needed for the participants. The software functionality will be demonstrated from the instructor’s computer
- City Project Manager will ensure Woolpert is provided access to the Cityworks software environment installed on-premise

- Demonstrations will take place during the same business week (Monday – Friday) as the project Kick-Off Meeting

City Responsibilities

- City Project Manager will review and accept the agenda for Software Demonstrations
- City Project Manager will schedule and accommodate the appropriate City Implementation Team and Technical Team staff such that they are available, without undue interruption, for the demonstration
- Secure an appropriate training facility suitable for participants

Task 2.3 Business Process Reviews

Woolpert will facilitate a series of Business Process Review workshops with City staff for the purpose of aligning application workflows with the City’s various asset maintenance management business processes. One of the main features of Cityworks AMS is its ability to be configured to fit the unique manner in which an organization manages and executes its infrastructure maintenance management activities. Over the course of many asset management system implementation engagements, Woolpert has learned that: 1) documenting asset management software workflows can be a rather overwhelming task for the client’s Implementation Team; and 2) the service request, work order, and inspection life-cycles that need to be managed within the Cityworks AMS software application is 80 – 90 percent standard across all implementing organizations. Woolpert has taken this knowledge and developed a standard set of “best practice” workflow templates that we use to facilitate understanding of the work management life-cycle. We tailor these standard workflows to accommodate the implementing organization’s “planning, scheduling, and execution” workflows. We have found that this approach saves time, money, and introduces a substantial level of industry best practices for work management activities at the on-set of the project.

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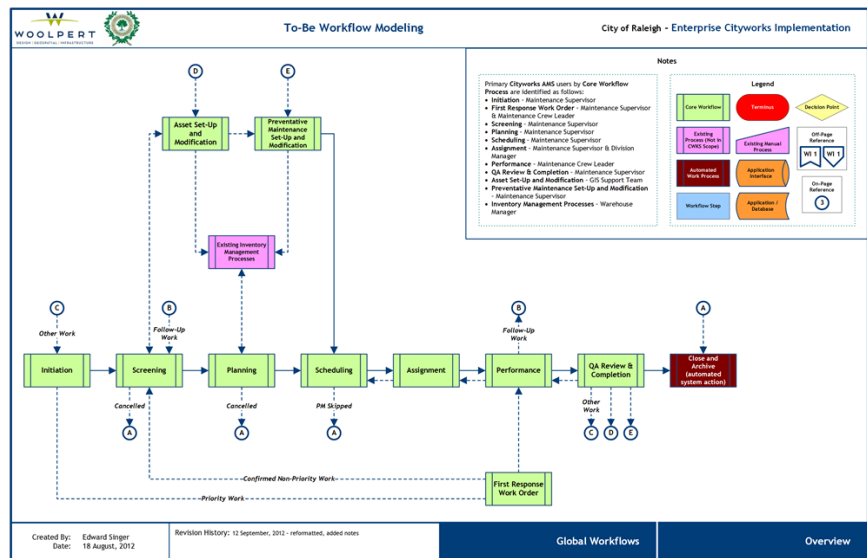


Figure 6: Work Order Management Workflow Best Practices

Woolpert has taken this knowledge and developed a standard set of “best practice” workflow templates that we use to facilitate understanding of the work management life-cycle. We tailor these standard workflows to accommodate the implementing organization’s “planning, scheduling, and execution” workflows. We have found that this approach saves time, money, and introduces a substantial level of industry best practices for work management activities at the on-set of the project.



The objective of the business process reviews is three-fold: 1) provide Woolpert’s implementation team with a deep understanding of the City desired work / asset management work flows / business processes, 2) provide City Implementation Team participants with a deeper understanding of the impending business process improvements introduced by the planned Cityworks AM solution, and 3) establish asset life-cycle management and work management workflows in the context of the City asset management strategies and as supported by the Cityworks AM functional and technical capabilities.

Woolpert will facilitate a series of on-site workshops that investigate a number of standard work management work flow diagrams detailing the life-cycle management of work requests within the Cityworks AMS application. The eight (8) primary workflow areas addressed will include:

- | | | |
|---------------|----------------|---------------------------|
| 1. Initiation | 4. Scheduling | 7. Emergency Work |
| 2. Screening | 5. Assignment | 8. QA Review & Completion |
| 3. Planning | 6. Performance | |

Along with the workflows, Woolpert will introduce the use of Work Order Statuses, Hold Reasons, reasons why work order / inspection performance might be delayed such as awaiting parts, awaiting available crews, weather delays, etc., job progress tracking and reporting for work orders through-out their life-cycle, and how all of these factors relate to establishing a work management environment that moves from reactive maintenance to a more proactive maintenance position (one of the multiple asset management best practices Woolpert facilitates through our implementations).

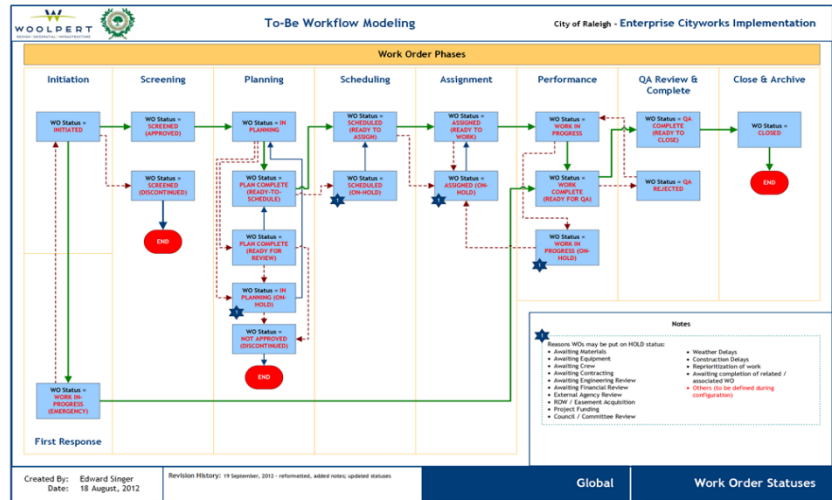


Figure 7: Work Order Status Best Practices

Also as part of these workshop discussions, Woolpert will expand upon the discussions of Levels of Service, asset performance measures, and specialized reporting requirements to identify any key custom data fields or workflows that will need to be taken under consideration during the subsequent (Phase 3) configuration workshops.

Upon completion of these workshops, Woolpert will compile all of the comments and feedback received from the City’s Implementation Team and update the standard workflow diagrams to reflect local practices. Our past experiences with this exercise indicate that we should not need to make more than a few edits to our standard workflow diagrams. The resultant documentation will later be used by the City Implementation Team and System Administrators to develop standard operating procedures and training materials.

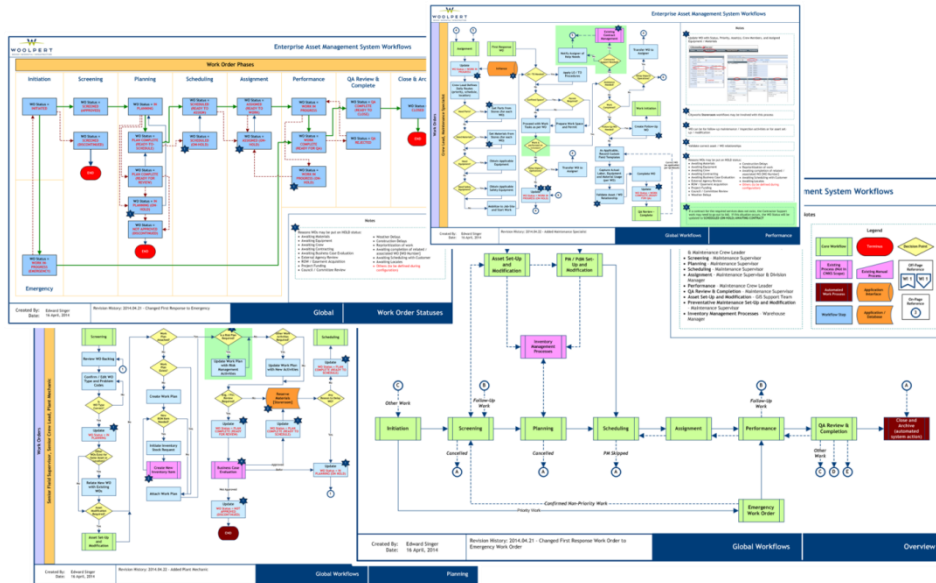


Figure 8: Example AM Software Workflow Diagrams

Related Sub-Tasks

2.3	Conduct Business Process Reviews	N/A
2.3.1	Woolpert to Prepare for Business Process Review Workshops	off-site
2.3.2	Facilitate Business Process Review Workshops	on-site
2.3.3	Document Results of Business Process Reviews	off-site
2.3.4	Submit Business Process Review Document	off-site
2.3.5	Client Review - CLIENT OWNED TASK	N/A
2.3.6	Review final comments	off-site
2.3.7	Finalize Business Process Review Documents	off-site

Deliverables

- A Woolpert Project Manager and Senior Systems Analyst will facilitate a series of on-site Business Process Review Workshops for up to one day (1)
- Woolpert team members will document the outcomes of the workshops in the form of a Technical Memorandum and submit said document to the City Project Manager
- Woolpert team members will facilitate a two (2) hours remote review session with the City Implementation Team to review the Technical Memorandum

Assumptions

- All activities, other than the actual workshops will be performed remotely.
- All workshop activities will be performed on-site.
- The City Project Manager will ensure site readiness and staff participation for the workshops
- No changes to the standard workflows are planned, since they have already been adopted by the City from past projects. The Standard Workflows will be provided in same format provided from the previous project.
- New Microsoft Visio diagrams will be created for unique workflows where custom fields are required. New Visio diagrams will be created using Microsoft Visio and will be provided in both

PDF and Visio formats; the Technical Memorandum will be a Microsoft Word document with embedded Visio diagrams

- All City divisions implementing the asset management solution during this project will participate simultaneously the business process workshops and all divisions will have, as much as is reasonable, the same business process workflows

City Responsibilities

- Secure an appropriate meeting facility suitable for participants,
- Schedule and accommodate the appropriate City project participants such that they are available, without undue interruption, for the required number of days.

Task 2.4: Migration Analysis (Wastewater)

Woolpert will facilitate a migration analysis review of Ronald Wastewater District’s legacy data. The City will provide the data in Microsoft Excel or CSV format along with a data dictionary for each field that describes the purpose of each field and if the field needs to be migrated (yes or no). Woolpert is happy to discuss the format of the data dictionary prior to the City providing one, if the data dictionary does not exist at this time. Woolpert will facilitate an on-site workshop to review the data with the City. Following the on-site workshop, Woolpert will develop a Scope of Services, fee and schedule to perform the data migration, assuming after the on-site workshop discussions the City desires to proceed with a data migration.

Related Sub-Tasks

2.4	Migration Analysis (Wastewater)	N/A
2.4.1	Provide Sample Data for Review - CLIENT-OWNED TASK	N/A
2.4.2	Review Sample Data	off-site
2.4.3	Faciliate Workshops to Review Data	on-site
2.4.4	Develop Memorandum	off-site
2.4.5	Submit to Client	off-site
2.4.6	Client Review	N/A
2.4.7	Receive Feedback	off-site
2.4.8	Update Memorandum	off-site

Deliverables

- A Woolpert Project Manager and Senior Systems Analyst will facilitate an on-site Migration Analysis Workshops for up to one day (1)
- Woolpert will develop a Scope of Services, fee and schedule to perform the data migration

Assumptions

- All activities, other than the actual workshops will be performed remotely.
- All workshop activities will be performed on-site.
- The City Project Manager will ensure site readiness and staff participation for the workshops
- Only legacy work order history is planned to be reviewed.

City Responsibilities

- Secure an appropriate meeting facility suitable for participants,
- Schedule and accommodate the appropriate City project participants such that they are available, without undue interruption, for the required number of days.

Task 2.5: Provide Geodatabase Design Support (Wastewater)

Based on all prior workshops and tasks, Woolpert will review the Wastewater geodatabase schema and developed a Technical Memorandum document with our recommendations for modifications to the schema to support the Enterprise Asset Management Implementation requirements.

Related Sub-Tasks

2.5	Provide Geodatabase Design Support (Wastewater)	N/A
2.5.1	Client PM Provide Geodatabase - CLIENT OWNED TASK	N/A
2.5.2	Geodatabase Review	off-site
2.5.3	Develop Recommendations	off-site
2.5.4	Submit Recommendations	off-site

Deliverables

- A Woolpert Senior Systems Analyst will review the Wastewater geodatabase schema and provide recommendations for schema changes in a Technical Memorandum in Microsoft Word format.

Assumptions

- All activities, other than the actual workshops will be performed remotely.
- All workshop activities will be performed on-site.
- The City Project Manager will ensure site readiness and staff participation for the workshops
- Only legacy work order history is planned to be reviewed.

City Responsibilities

- Secure an appropriate meeting facility suitable for participants,
- Schedule and accommodate the appropriate City project participants such that they are available, without undue interruption, for the required number of days.

Task 2.6: Phase 2 Quality Control



Woolpert technical resources not regularly involved with this implementation will perform independent quality review of the work processes and deliverable products in accordance with the Woolpert Total Quality Plan.

Task 2.7: Phase 2 Acceptance and Close

This is the Phase exit document that the City Project Manager signs indicating Woolpert has delivered the Phase 1 services in accordance with the Scope of Work and Project Plan. Phases 2 and 3 of this scope, which are executed concurrently, will not begin until Phase 1 has been approved by the City.

Phase 3 – System Design and Configuration



Using the “road map” developed in Phase 2 as our guide the Woolpert project team will lead the City Implementation Team through the AMS software configuration tasks. Together, the teams will design the configuration to meet the needs of the implementing divisions. The end result of the Phase 3 activities will be a fully-configured Cityworks AMS solution deployed to City’s development environment that is ready to undergo User Acceptance Testing.



In the Planning Phase, the AMS Business Process Workflows document set the baseline workflow configuration for Service Requests, Work Orders and Inspections. In the Design and Configuration Phase, Woolpert will facilitate workshops to design the specifics of each Service Request, Work Order, and Inspection template. Woolpert will initiate the configuration activities by developing a master Configuration Document. The document will be reviewed with the City Implementation Team for the purpose of gaining a level of familiarity with the various aspects of the system components that will need to be configured (service requests, work orders, inspections, job plans, work crews, default schedule dates, etc.).



Then, Woolpert will deliver a Configuration Training workshop so that the City Implementation Team can understand the types of decisions they will be asked to make and to show them how the Configuration Document relates to the actual system configuration. A key take-away from the Configuration Training task is that the City Implementation Team will know what information they will be asked for during the Configuration Workshops, allowing them to better prepare for the initial workshop.

Key Core System Design and Configuration (Phase 3) Deliverables

- Core Cityworks AMS System Configuration Documentation
- Cityworks AMS System Configuration Training
- Core Cityworks AMS and Storeroom System Configuration in the Development Environment
- Core Cityworks AMS System Full-Scale Demonstrations



Following the Cityworks AMS Configuration Training, the Woolpert team will facilitate a series of onsite configuration workshops, whereby the Cityworks AMS software solution will be iteratively configured and loaded with the data provided by the City Implementation Team. One of the key benefits of this approach is the **organic knowledge transfer** that occurs between the Woolpert and City team members. Woolpert conducts the first round of configuration workshops to gather specific information pertaining to types of service requests, activities performed against assets by the City’s employees for both work orders and inspections, and information pertaining to reporting. **Round 1 workshops are intended to collect a lot of information and a fair, but not comprehensive, amount of detail.** The focus of these workshops is to collect a list of all the Service Request, Work Order and Inspection templates that need to be created. Details about each template will be collected if they are readily available, but the intent of Round 1 is to focus on quantity of configuration items, but not details. After the Round 1 workshops are complete, Woolpert will remotely add the discovered information to the Configuration Document and configure the Cityworks AMS software in preparation for the Round 2 workshops. The second round of configuration workshops explores the recently configured Cityworks AMS software with the City Implementation Team.

By configuring all of the information collected in Round 1 and loading all of the data provided by the Implementation Team, **Round 2 workshops center on collecting the missing details and polishing the previous templates.** At the conclusion of Round 2 workshops, Woolpert expects to have all of the information necessary to configure the user interface and nearly all of the information to configure the details of the each Service Request, Work Order and inspection template, such as Service Request questions and answers, repetitive work order job plans and tasks, Inspection points and, where appropriate, response values for each inspection point. Again, Woolpert will work remotely to configure the system per the decisions made in the workshops, load the new data provided by the City, and update the system configuration document. A third round of configurations workshops will review the configuration changes made as a result of the Round 2 workshops



Every one of our Cityworks implementation projects has a defined **quality management** plan. For this phase, a Senior System Analyst who is not involved in the onsite workshops is assigned to perform a peer review of the Design and Configuration deliverables. We stage an internal mock demonstration to the peer reviewer. That person prepares for the mock demonstration by reviewing the Configuration Document. They then sit through the mock demonstration and ask specific configuration and process questions of the project analysts. Along with ensuring that the look and feel of the deliverables are up to Woolpert standards, any gaps in the configuration or documentation are addressed prior to delivery of the Configuration to the City for acceptance. This task not only ensures that our deliverables are of a high quality, but also allows our analysts to practice their presentation, making the onsite system demonstrations to the future end users more polished.



Once all of the configuration activities have been completed, Woolpert will facilitate a series of off-site system demonstrations. These demonstrations are similar to those at the end of the previous phase. They are for the entire future end-user community and are intended to “show-off” the work performed during the Design and Configuration phase. Woolpert will perform essentially the same demonstrations, but this one will be with actual City configuration and data. Again, one of the main goals of this demonstration is to manage the organizational **change readiness** for the upcoming system change. By identifying where groups or individuals are hesitant to the new system, the City has the ability to proactively address their concerns and prepare them for the upcoming change. Beyond change readiness, this demonstrations starts to build momentum within the organization, particularly among those excited to start using the new system.

Task 3.1: Prepare Configuration Document

Woolpert will compile the asset management program data gathered and documented through the multiple on-site workshops and other related project meetings completed project-to-date (Kick-Off Meeting, Visioning Workshops, Software Demonstrations, Business Process Workflow Development, etc.) and distill this information into an organized configuration document. The configuration documentation, consisting of standard Cityworks AMS system elements, as well as the customized details required to support the City’s specific asset management program, will be used to guide the configuration of the Cityworks AMS system such that it is localized to the City’s specific work tracking and asset management requirements.

Related Sub-Tasks

3.1 Prepare Configuration Documentation

Deliverables

- Woolpert will develop a Cityworks AMS configuration document

Assumptions

- All tasks will be performed remotely

City Responsibilities

- None.
- Participate in the remote review meeting

Task 3.2: Core Cityworks AMS Solution

Woolpert will facilitate the Core Cityworks AMS Software Configuration for each division through a series of three (3) rounds of onsite configuration workshops. Each round of workshops will allow each of the configuration groups to define their system requirements such that the Woolpert implementation team can configure the Cityworks solution to their needs. Also during this task, the City Implementation Team members will collect or develop, and deliver to Woolpert, data that be loaded into the Cityworks solution. Each round of workshops will be followed by Woolpert building the Cityworks Development environment by loading the supplied information and performing the necessary configuration to transform the out-of-the-box Cityworks solution to one that meets the needs of the implementing groups. Each successive round of workshops will address the following topics at increasing level of detail:

Cityworks is a complex and powerful software product. But too often, it is implemented in a less than optimal manner and as a result does not deliver the desired results. Our three-round configuration process is a critical factor in capturing user requirements and refining workflows before testing begins. Not all implementation firms use this approach, but our long history shows that the extra time spent at this stage helps make the remainder of the project much smoother.

- **Domains.** This is the security architecture that determines how employees, work orders and other asset maintenance management information can be shared across organization-al boundaries.
- **Employee Hierarchy.** Determines security protocols for each user of the system as well as practical grouping of employees for assignments to work orders, inspections, and service requests (e.g. crews).
- **Work Orders.** Templates for each of the type of maintenance activities that will be per-formed on each asset in the system
- **Tasks.** Individual work items associated with a work order. For example, a repair sewer main work order might have tasks for establish traffic control, utility locate, excavate, etc.
- **Materials Hierarchy.** Organization and rules for items that are used to repair assets. Examples of materials are things such as pipes and meters.

- **Equipment Hierarchy.** Organization and rules for items that are utilized to complete a work order but are not consumed. Examples are items such as backhoes, vehicles, vacuum trucks, etc.
- **Service Requests.** Templates for requests for service. Many times maintenance activities are initiated starting with a service request whose purpose is to determine if a work is necessary or not.
- **Inspections.** Templates for each type of periodic and ad-hoc asset inspection where detailed attributes need to be stored as individual data elements.
- **Reporting.** Current or future expected reports will be discussed and designed.
- **Projects.** Projects to be managed within the AMS software

At the end of the each round of workshops, there will be a set of action items for the City Implementation Team members, such as compiling lists of employees, work crews, and contractors, as well as hard copies of work orders, reports, inspection forms, and other relevant data sets. Woolpert will prepare a detailed list of action items and submit them to the City Project Manager. After each round of workshops, Woolpert will work remotely to update the Configuration Document with the decisions made during the workshops and perform the necessary system configuration such that solution meets the defined requirements. Woolpert will conduct a number of WebEx-style remote meetings, as necessary, to obtain follow-up information and provide clarity to City staff, as necessary, on their assignments.



After each set of workshops, Woolpert will facilitate a WebEx demonstration of the system for the purpose of showing the City Implementation Team members how to execute simple tasks within the configured solution. The City Implementation Team members are expected to then, on their own, create Service Request, Work Order and Inspection records in the system. They are expected to process them through various Statuses, assign labor, issues materials, charge equipment and populate the various fields on the records. This City task is intended to ensure that the City Implementation Team is putting their hands on the system, that they are making an effort to learn how the system functions and understand the configuration. It is critical that the City Implementation Team members work in the Cityworks solution after each of the three rounds of workshops. This task is part of the knowledge transfer process. It makes the Implementation Team members more prepared for each subsequent set of workshops. It increases their familiarity and comfort with the system. And it will make the Deployment Phase more successful in that they will be more competent testers, able to facilitate training classes in conjunction with Woolpert analysts, and more prepared as front line support to the end users once the system is live.

Related Sub-Tasks

3.2	Hold Configuration Meetings	N/A
3.2.1	Hold Configuration Meetings (Round 1)	N/A
3.2.1.1	Hold Workshops (on-site) - (Prep / 2-days / Daily meeting notes) Round 1	on-site
3.2.1.2	Configuration and Documentation	off-site
3.2.1.3	Demonstrate Configuration	off-site
3.2.1.4	Client Review - CLIENT-OWNED TASK	N/A
3.2.2	Hold Configuration Meetings (Round 2)	N/A
3.2.2.1	Hold Workshops (on-site) - (Prep / 2-days / Daily meeting notes) Round 2	on-site
3.2.2.2	Configuration and Documentation	off-site
3.2.2.3	Demonstrate Configuration	off-site
3.2.2.4	Client Review - CLIENT-OWNED TASK	N/A
3.2.3	Hold Configuration Meetings (Round 3)	N/A
3.2.3.1	Hold Workshops (on-site) - (Prep / 2-days / Daily meeting notes) Round 2	on-site

3.2.3.2	Configuration and Documentation	off-site
3.2.3.3	Demonstrate Configuration	off-site
3.2.3.4	Client Review - CLIENT-OWNED TASK	N/A

Deliverables

- Round 1 Workshop Deliverables:
 - Woolpert will facilitate Round 1 workshops as follows:
 - Parks and Recreation – one (1) day
 - Wastewater – one (1) day

NOTE: Each workshop will be attended by two Woolpert staff; one to lead discussions and one to documents configuration and other decisions. Workshop time can be reallocated between the implementation groups, however, the total amount of workshop time for Round 1 workshops will not exceed sixteen (16) hours.
 - Woolpert will perform up to one (1) follow-up remote meetings via WebEx for the Round 1 Workshops. Each meeting will be no longer than two (2) hours.
 - Woolpert will update the configuration documentation based on the outcome of the Round 1 configuration workshops
 - Woolpert will perform system configuration in the City on-premise development environment based on the outcome of the Round 1 workshops
- Round 2 Workshop Deliverables:
 - Woolpert will facilitate Round 2 workshops as follows:
 - Parks and Recreation – one (1) day
 - Wastewater – one (1) day

NOTE: Each workshop will be attended by two Woolpert staff; one to lead discussions and one to documents configuration and other decisions. Workshop time can be reallocated between the implementation groups, however, the total amount of workshop time for Round 2 workshops will not exceed sixteen (16) hours.
 - Woolpert will perform up to one (1) follow-up remote meetings via WebEx for the Round 2 Workshops. Each meeting will be no longer than two (2) hours.
 - Woolpert will update the configuration documentation based on the outcome of the Round 2 configuration workshops
 - Woolpert will perform system configuration in the City on-premise development environment based on the outcome of the Round 2 workshops
- Round 3 Workshop Deliverables:
 - Woolpert will facilitate Round 2 workshops as follows:
 - Parks and Recreation – one (1) day
 - Wastewater – one (1) day

NOTE: Each workshop will be attended by two Woolpert staff; one to lead discussions and one to documents configuration and other decisions. Workshop time can be reallocated between the implementation groups, however, the total amount of workshop time for Round 2 workshops will not exceed sixteen (16) hours.
 - Woolpert will perform up to one (1) follow-up remote meetings via WebEx for the Round 3 Workshops. Each meeting will be no longer than two (2) hours.

- Woolpert will update the configuration documentation based on the outcome of the Round 3 configuration workshops
- Woolpert will perform system configuration in the City on-premise development environment based on the outcome of the Round 3 workshops

Assumptions

- All work aside from the actual workshops will be performed remotely
- All Round 1, 2 and 3 workshops will take place over the course of two (2) business days (Monday – Friday)
- Actual workshops will be administered onsite at City facilities
- City staff participating in the Configuration workshops will do so uninterrupted
- The geodatabase design for the participating divisions will be complete and populated with at least 50% of the expected total number of asset records before the starting of Round 1 of the Cityworks configuration workshops. Existing asset records will be accurate and complete. This information is essential for Woolpert to configure Cityworks in a timely manner.
- A map service and geocoding service will be available for Woolpert to consume specific to the AMS divisions

City Responsibilities

- City to schedule the appropriate City project team members such that they are available, without undue interruption, for the required number of days
- City will provide a conference room or training room with a projector. During Configuration Training, individual computers are not needed for the participants. The software functionality will be demonstrated from the instructor's computer.
- Workshop participants shall actively participate in workshop activities
- Workshop participants shall participate in the remote review meetings, as requested
- City Technical Team will provide Woolpert a map service and geocoding service for Woolpert to consume, specific to the AMS divisions
- City Implementation Team Members will create and process Cityworks Service Request, Work Order and Inspection records after each round of workshops

Task 3.3: Develop Reports CLIENT-OWNED TASK

Woolpert is not providing any deliverables for this task.

Task 3.4: Provide Cityworks AMS Software Demonstrations



After completion of the core AMS software configuration and approval of the updated configuration documentation, Woolpert will provide a series of onsite full AMS software demonstrations to the entire future user community and project stakeholders for the configured groups. Woolpert will provide up to a half (1/2) day of demonstrations on the final, approved configuration. Similar to the demonstrations in Implementation Planning phase, this task provides an opportunity for the City to assess the readiness of their staff. Should any apprehension or reluctance to adopt the new system become apparent, the City still has time to address those concerns and maximize staff readiness prior to Go-Live.

This task doubles as an opportunity for the City to evaluate the readiness of their workforce. Staff apprehension early in the project can be re-evaluated. New and continuing concerns can be at this point in the project as there is still time to ready the organization prior to Go-Live.

Related Sub-Tasks

3.4	Provide Cityworks AMS Software Demonstrations	off-site
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Deliverables

- Woolpert will provide agendas for the onsite demonstrations
- Woolpert will provide up to a half-day (1/2) off-site of Cityworks AMS System solution demonstrations.

Assumptions

- All demonstration preparation activities will be performed remotely
- City staff participating in the demonstrations will do so un-interrupted

City Responsibilities

- Secure an appropriate workshop facility
- Coordinate and schedule demonstration participants
- Coordinate and schedule a configuration wrap-up meeting

Task 3.5: Phase 3 Quality Control



Woolpert technical resources, not regularly involved with this implementation will perform independent quality review of the work processes and deliverable products in accordance with the Woolpert Total Quality Plan.

Task 3.6: Phase 3 Acceptance and Close

This is the Phase exit document that the City Project Manager signs indicating Woolpert has delivered the Phase 3 services in accordance with the Scope of Work and Project Plan. Phase 4 will be executed concurrently with Phase 3, but Phase 4 will not commence until all Phase 3 tasks and deliverables have been accepted by City.

Phase 4 – System Deployment



Once the Cityworks solution has been configured and the advanced functionality items deployed, there are still a number of critical tasks that must be completed before the solution is placed into a production environment. Woolpert will lead the City Implementation team through a series of related deployment tasks that will ensure a fully tested and accepted solution, as well as a City team of fully trained system administrators and end users are ready to put the system to use on a daily basis.



Woolpert recognizes that there will be up to 25 users between the Divisions part of this project in the system once it is fully utilized by all planned users.

The City will develop a thorough Testing and Acceptance Plan for all aspects of the new system. The test plan is designed to step the testers through the configured solution and ensure the configurations is accurate and functions as designed and that the system supports all of the technical and functional requirements that the system was configured to support. The Test Plan will be submitted to Woolpert for review and acceptance.

Following acceptance of the test plan, the City will execute, and Woolpert will facilitate, User Acceptance Testing. Woolpert will facilitate an onsite Tester Training class for the City testing groups. The purpose of the Tester Training classes is to instruct those City testing participants on how to execute the test scripts in the system and record the results. Note that the testers will be shown how to use Cityworks, but this is not a replacement for the thorough end user training that will occur once the solution passes User Acceptance Testing.

Through project experience, Woolpert has discovered that onsite assistance during testing is not only more efficient with respect to time, but it also pushes the testers to truly test the system. Another reason onsite testing support is beneficial is that what some testers may deem a testing error may in fact be a tester issue. Having Woolpert on-site to assist in testing helps negate these possibilities.

Key Enterprise System Deployment (Phase 4) Deliverables

- Testing Document
- User Acceptance Testing
- End User Training
- Go-Live Support

Immediately upon completion of this training, the City’s testing team will begin to execute the User Acceptance Testing program in accordance with the Test Plan. Woolpert will work onsite with each of the tester groups to facilitate testing. Though Woolpert has allocated what we believe to be ample time to complete the testing for each group while we are onsite to support it, occasionally testing extends beyond the onsite support period. As such, Woolpert will remotely support testing activities that extend beyond the onsite support period. Woolpert will address many issues while onsite and correct them so they can be immediately retested. Woolpert will work remotely to correct other issues and perform a remote meeting via WebEx to demonstrate how the failed scenarios now successfully pass the tests.

Once the system testing has been completed and the production-worthy system has been accepted, Woolpert will then deliver the required end-user training. This training will be scheduled and delivered “just in time”, immediately prior to the Go-Live activities to ensure system administrators and end users are prepared to adopt and embrace the new technology solution right out of the gate. Woolpert

recommends that the City perform a single Go-Live where all users will be put into the production environment at the same time.

Prior to the initial Go-Live, Woolpert will assist the City system administrators in migrating the fully configured database from the Development / Testing environment to a live Production environment and provide on-site go-live support.

Task 4.1: Develop Test Plan CLIENT-OWNED TASK

The focus of system testing efforts is to thoroughly test the newly installed / configured Cityworks AMS solution and ensure all delivered functionality (application workflows, templates, reports, legacy data) are functioning properly.

The City will take the lead on developing a Testing and Acceptance Plan. The Plan will derive its focus from the previously prepared AMS System Configuration documents. Functional metrics that the Enterprise System configuration must successfully achieve prior to being promoted to the City’s production environment will be defined. Additionally, test scenarios designed to step testers through the User Acceptance Testing (UAT) process will be developed as part of this plan. Final plan contents will be scenario based scripts that will allow users to test real situations utilizing the software. The test plan will address the Cityworks System functionality and reporting that is specified and configured per the Project Plan.

Related Sub-Tasks

4.1	Develop Test Plan - CLIENT-OWNED TASK	N/A
4.2	User Acceptance Testing - CLIENT-OWNED TASK	N/A

Deliverables

- City will prepare and deliver the DRAFT Testing and Acceptance Plan to Woolpert.
- Woolpert will facilitate a remote review meetings with the City Testing Team for up to four (4) hours in duration
- The City will update the Testing and Acceptance Plan per the results of the review meeting and re-submit to Woolpert

Assumptions

- The Testing and Acceptance Plan will be developed per common agreement between the City and Woolpert.

City Responsibilities

- City’s Project Manager and members of the testing team must thoroughly review and understand the Testing and Acceptance Plan.
- City’s Project Manager and members of the testing team must participate in the remote reviews of the UAT plans
- City’s Project Manager and members of the testing team must provide feedback on, and ultimately accept, the UAT Plans

Task 4.2: User Acceptance Testing (UAT) – CLIENT-OWNED TASK

It will be the responsibility of the City to select a number of implementation team members, future end-users and application support staff who will execute the testing of the newly configured Cityworks solution. In order to effectively test the system in accordance with the UAT Plans, training will be provided to these end-users. The training will consist of half-day (1/2) day and all testing groups will attend. The training will include the following:

- Course 1 – Testing Administration 1 hours
- Course 2 – Work Management 3 hours

During the Testing Administration course, Woolpert will instruct the testers how to read the test scripts, how to record a successful test scenario as Pass or Fail, what to do when they think they find an error, and the information they must record to ensure that the error can be recreated.

During the Work Management course, Woolpert will instruct the testers how to create and process, per the test scripts, Service Requests, Work Orders and Inspections. This instruction will not include the additional context that end users receive during training, only enough direction to complete the testing tasks.

Once all testers have been trained, the City testing groups will, one-by-one, execute the UAT test scenarios defined within the plan in the Cityworks Testing environment. Woolpert proposes that each group execute testing under the guidance of a Woolpert Analyst. A majority of the required corrections will be completed while Woolpert is onsite with the City testing team can retest immediately. Failed test scenarios that require additional time to correct will be completed remotely and demonstrated as corrected in a WebEx follow-up to the onsite testing task.

All test scenarios will be marked as either “pass” or “fail” with appropriate notes and screen shots provided to Woolpert for resolution. Testing and related configuration updates will continue until acceptable performance is achieved as defined within the UAT Plan.

Related Sub-Tasks

4.2	User Acceptance Testing - CLIENT-OWNED TASK	N/A
4.2.1	Support UAT	on-site
4.2.2	Update Application and Database Configuration per UAT Results	off-site
4.2.3	Update Final Configuration Documentation per UAT Results	off-site

Deliverables

- Woolpert’s Project Manager will provide agendas for each Tester Training course and deliver one-half (1/2) day of onsite Tester Training
- Woolpert will provide one (1) analyst resources to perform one-half (1/2) day of tester training
- Woolpert will provide one (1) analyst resources for up to forty hours to facilitate and support onsite testing to the following testing groups:
 - Parks and Recreation
 - Wastewater
- Woolpert will make the necessary updates to the Cityworks AMS Configuration and Cityworks AMS Configuration Documents.

Assumptions

- All Tester Training and onsite Testing Support will occur over one consecutive business week (Monday – Friday)
- The City understands that failure to properly prepare the training site and ensuring adequate available training resources will result in the Woolpert – City training team being unable to provide the required training to the City testers.
- The City understands that failure to properly prepare for and participate in the training sessions will significantly impact the City testing team’s ability to effectively make use of the configured System application.
- City UAT efforts will remain focused on the scripts and criteria defined in the UAT Plan
- City will ensure the key team members are available to support the testing updates that require additional time will be performed remotely followed by a WebEx demonstration by Woolpert to provide the City confirmation of the fix

City Responsibilities

- Distribute training materials to the City testing team prior to the scheduled training sessions.
- Ensure training room is prepared in advance.
- Secure an appropriate training facility suitable for participants,
- Schedule and accommodate the appropriate City testing team members such that they are available, without undue interruption, for the required number of days.

Task 4.3: Pause Project and City Continues to "Play" with Cityworks During Holidays CLIENT-OWNED TASK

Based on the project start date, this project may not be able to be completed before December 2016. As a result of the holidays, it is difficult to conduct training and Go-Live activities in the month of December, so the project may be put on hold in December. If this occurs, during this time, Woolpert will not any resources allocated to the project.

Task 4.4: Provide End-User Training (EUT)

Completion of the training efforts will result in City system administrators and end-users being provided the system knowledge and capabilities necessary to use (end-users) the configured AM System in an effective manner such that the City’s over-arching business objectives can be met through use of the newly configured system. Prior to the training, Woolpert will prepare a training syllabus detailing each topic to be covered. The syllabus will be the same for similar classes in each track, but the Woolpert trainer will use examples specific to the group being trained so that the content is more familiar to the trainees.

Woolpert proposes that all City system users be trained during the two weeks immediately prior to go-live. In order to accomplish training effectively, Woolpert proposes one Woolpert analysts provide the classroom training assisted by at least one City implementation team member. A two-person training team can effectively train up to twenty (25) trainees. Or, if desired by the City, the training classes can be split into smaller groups and training concurrently, provided the City has a second training room available. In this instance, each smaller classes will be led by one Woolpert analyst and assisted by a City implementation team member.

Each class will be facilitated on-site at the City’s identified training facility.

Related Sub-Tasks

4.4	Provide End-User Training (EUT)	N/A
4.4.1	Prepare Training Materials	off-site
4.4.2	Prepare Client Site for Training - CLIENT-OWNED TASK	N/A
4.4.3	Deliver General Training (on-site)	on-site

Deliverables

- Woolpert will update our standard Training Manual to the version the City is current using
- Woolpert will provide one (1) analyst resources for up to thirty-two (32) hours for onsite End User Training.

Assumptions

- Training will occur over two consecutive business weeks (Monday – Friday)
- A member of the implementation team will support each Woolpert-led class by auditing the users during training and ensuring that those struggling to keep up are given extra support so as not to disrupt the entire class
- The City has an adequate training facility that can accommodate the number of staff to be trained in the classes identified within this scope of services
- It is expected the City implementation members participating training end users will provide training for the unique business processes identified and documented in Task 2.3

City Responsibilities

- Secure an appropriate training facility
- Coordinate and schedule training participants
- Training participants shall actively participate in training activities

Task 4.5: Provide Go-Live Support

Immediately following End User Training, Woolpert will provide on-site Go-Live support in order to assist with the successful use of the new Cityworks solution in a production environment. During this time, one Woolpert analyst resource will be onsite to support City end-users and system administrators as they encounter the typical issues associated with any Go-Live. As the issues subside, Woolpert will work with individuals, typically system administrators and heavy users who want to get more out of their new solution, to provide additional coaching and supplemental training services, on an as-needed and as-available basis. Go-Live week is also a time where known tasks that were put off during the project can be executed to ‘catch the system up’. For example, if additional employees, materials or equipment were identified after the cutoff point for new data, the System Administrator would load these items during the Go-Live week so that, if they were to run into issues, the onsite Woolpert resource could provide immediate assistance.

In preparation for Go-Live, Woolpert will migrate the configured and approved Cityworks System database from the Development environment to the Production environment, load any cutover sensitive data and port the system integration components to the production environment.

Related Sub-Tasks

4.5	Conduct GO-LIVE	N/A
4.5.1	Prepare for Go-Live	off-site
4.5.2	Go-Live Support	on-site

Deliverables

- Woolpert will migrate Cityworks Development to Production environment
- One (1) Woolpert analyst resource will be provided onsite for up to thirty-two (32) hours to support the Go-Live activities

Assumptions

- The City will sign-off and accept the end user training prior to the go-live cutover tasks and onsite end user and system administrator support efforts
- The City’s Project Manager will provide project sign-off within agreed upon timeframe following Go-Live.
- The City will include current Cityworks Power Users to support Go-Live week to ensure there is enough coverage / support

City Responsibilities

- The City’s Project Manager and IT support staff should equally assist in administering the Go-Live tasks to make sure it is clear to the End-Users that the City is internally capable of supporting the newly deployed Enterprise solution. The City system administrators and IT support staff will benefit from learning basic Cityworks troubleshooting routines during this time.

Task 4.6: Phase 5 Quality Control



Woolpert technical resources, not regularly involved with this implementation will perform independent quality review of the work processes and deliverable products in accordance with the Woolpert Total Quality Plan.

Task 4.7: Project Acceptance and Close

This is the Project exit document that the City Project Manager signs indicating Woolpert has delivered Phases 2 through 4 services in accordance with the Scope of Work and Project Plan.

Schedule and Fee

Schedule

The City will provide notice-to-proceed (NTP) no later than June 21, 2016. Assuming NTP occurs on or before this date, the Go-Live date is planned to be November 7, 2016. A more detailed project schedule is available upon request and will be mutually agreed to between Woolpert and the City prior to the project kickoff.

Fee

This is a fixed-fee project that is all-inclusive of labor and expenses. Woolpert will invoice on a monthly basis based on percent complete.

Phase	Cost
PHASE 1 Project Management	\$ 21,383
PHASE 2 IMPLEMENTATIONS PLANNING	\$ 22,376
PHASE 3 SYSTEM DESIGN AND CONFIGURATION	\$ 45,700
PHASE 4 SYSTEM DEPLOYMENT	\$ 23,040
Quality Assurance and Quality Control	\$ 1,257
Expenses	\$ 29,145
Total	\$ 142,901

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adoption of Resolution No. 389 - Providing for the Submission to the Qualified Electors of the City of Shoreline at an Election to be Held on November 8, 2016, a Proposition Authorizing the City to Increase its Regular Property Tax Levy Above the Limit Established in RCW 84.55.010 to Fund Public Safety, Parks Operations, and Community Services
DEPARTMENT:	Administrative Services Department
PRESENTED BY:	Sara Lane, Administrative Services Director Rick Kirkwood, Budget Supervisor
ACTION:	<input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

On July 11, 2016 the City Council reviewed proposed Resolution No. 389 (Attachment A) and directed staff to finalize the resolution and ballot language for potential adoption tonight. If adopted by the City Council, proposed Resolution No. 389 would submit a ballot measure to the Shoreline voters that if approved would reset the City's 2017 general property tax levy rate to \$1.48 per \$1,000 of assessed valuation, allow for annual levy increases up to the rate of inflation (Seattle CPI-U) for the years 2018-2022, and use the 2022 levy amount to calculate subsequent levy limits. On July 12, 2016, City staff received updated information from the King County Assessor regarding the projected assessed valuation increase for the purpose of establishing 2017 tax levies. The Assessor is projecting a 10% valuation increase for Shoreline, which is substantially higher than the 3.1% valuation increase used in the City's financial projection and used for establishing the \$1.48 rate. As such, the City Manager is recommending that Council amend the recommended ballot language to change the rate from \$1.48 to \$1.39 for 2017. Further information is provided in this staff report and included in Attachment B.

RESOURCE/FINANCIAL IMPACT:

Staff estimates election costs associated with placing the Levy Lid Lift renewal measure on the ballot at approximately \$60,000, which is appropriated in the 2016 operating budget.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. 389, with amendments recommended by the City Manager as discussed in this staff report and in Attachment B, placing renewal of the property tax levy lid lift on the November 8, 2016 general election ballot to set the City's property tax levy rate to \$1.39 per \$1,000 assessed

valuation in 2017, setting the annual maximum increase for property tax levies for 2018 through 2022 at the Seattle Consumer Price Index for all Urban Consumers (CPI-U), and using the 2022 levy as the base for future year levies.

Approved By: City Manager **DT** City Attorney **MK**

INTRODUCTION

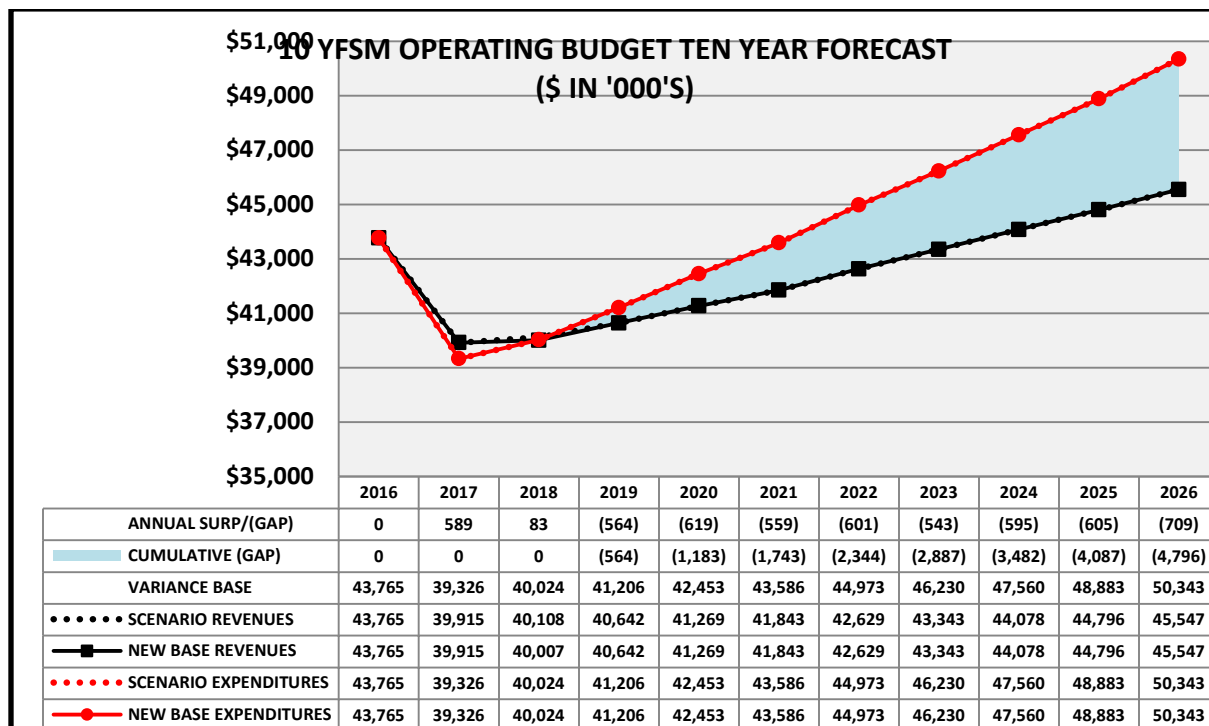
The 10 Year Financial Sustainability Plan (10 YFSP) accepted by Council on June 16, 2014 prioritized seven strategies to reduce projected future potential revenue and expenditure gaps (staff report available at the following link:

<http://www.shorelinewa.gov/home/showdocument?id=19755>). Strategy #7 of the 10 YFSP was the potential renewal of the Levy Lid Lift. On June 13, 2016 staff provided Council with an update to the 10 YFSP including a summary of the results of the City Manager's engagement of the public through the Financial Sustainability Citizens Advisory Committee (FSCAC). The staff report for the update is available at the following link:

<http://www.shorelinewa.gov/uploads/attachments/cck/council/staffreports/2016/staffreport061316-9a.pdf>

The City Council then directed staff to bring back a resolution for potential consideration of placing a levy lid lift renewal on the November 8, 2016 general election ballot.

Without renewal of the levy lid lift, the operating budget 10-year forecast chart from the 10 Year Financial Sustainability Model (10 YFSM) projects potential budget gaps to occur beginning in 2019 with a cumulative size totaling \$21.087 million over the 10-year forecast period. The potential budget gaps reflect that projected revenues will be less than projected costs to maintain current service levels. The revenue projections are based on the City's current revenue sources and uses both legal and economic factors for projecting future collections. The expenditure projections are based on current services adjusted for anticipated cost increases related to inflation, contract agreements, or legal requirements. The following figure presents the projected potential budget surplus/(gaps) for the next 10 years:



BACKGROUND

In November 2001, Washington State voters passed Initiative No. 747. This limited the increase in the City of Shoreline's levy by the lesser of one percent or the percentage increase in the implicit price deflator (IPD). Even though this ballot measure was found to be unconstitutional, the State Legislature met in a special session and reinstated the one percent/IPD limitation (Ch. 1, Laws of 2007, sp. sess.).

Since the IPD percentage increase has been more than one percent in most years since the legislature reinstated the one percent limit, the effective limit has been one percent (1%). An exception to this state law is the "Levy Lid Lift", which allows cities to ask the voters in their community if they would like to "lift the lid" on this 1% property tax limit. In the November 2010 general election, Shoreline voters approved a six-year maintenance and operations levy lid lift for basic public safety, parks, recreation, and community services that set the tax rate for 2011 at \$1.48 and allowed the lid for the ensuing years to be "lifted" each year by a percentage increase tied to the CPI-U for the Seattle, Tacoma and Bremerton area.

In 2012, the City Council adopted their 2012-14 Goals. Goal #1 was to "Strengthen Shoreline's economic base", and Action Step #3 under this goal was to "Develop a 10-year Financial Sustainability Plan to achieve sufficient fiscal capacity to fund and maintain priority public services, facilities, and infrastructure". To implement this Goal and Action Step, over two years, the City went through a comprehensive 10-year financial sustainability process, which included staff review and analysis and Council oversight and direction. Throughout this process, City staff developed a 10 Year Financial Sustainability Model (10 YFSM) that stores historical financial data, is updated to convert projections into actual results, is used to inform the City's annual budget process, and models the effects of changing conditions. Changing conditions can include economic events, unexpected cost increases, the results of implementing one or a combination of the sustainability strategies, etc.

In 2014, the City Council formed a subcommittee to study the information developed by City staff and the 10 YFSM to develop a 10 YFSP. The purpose of the 10 YFSP is to strengthen Shoreline's economic base by prioritizing seven strategies (or tools) for the City to use to maintain financial resiliency and sustain existing services. As noted earlier, the 10 YFSP was accepted by Council on June 16, 2014. Strategy #7 of the 10 YFSP was the potential renewal of the 2010 Levy Lid Lift, which expires this year.

DISCUSSION

As the Levy Lid Lift approved by voters in 2010 will expire at the end of 2016, Council has the authority to place a measure on the ballot to renew the Levy Lid Lift. Council can decide to seek a renewal of the Levy Lid Lift with an annual escalator alone or additionally seek to reset the 2017 levy rate to a specific rate up to \$1.60.

The City's current financial forecast projects potential budget gaps, where costs to maintain existing services will exceed revenue resources, to occur beginning in 2019 with a cumulative size totaling \$5.834 million over the six-year period for 2017 through 2022.

During the July 11, 2016 City Council meeting, the Council discussed four potential options considered by the FSCAC. Those options are detailed in the July 11 staff report, which is available at the following link:
<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2016/staffreport071116-9c.pdf>.

Staff recommended a renewal of the 2010 Levy Lid Lift, an option supported by 11 of 13 members of the FSCAC. As discussed on July 11, under this option, the new tax rate for 2017 would be set at \$1.48 and the lid for the ensuing years may be “lifted” each year by a percentage increase tied to CPI. Council supported this recommendation and directed staff to draft Resolution No. 389 for adoption on July 25.

Proposed Amendments to Resolution No. 389

Following discussion of this topic with the City Council on July 11, 2016, King County provided the City with a preliminary estimate for the 2017 assessed valuation growth of 10%. While the amount won't be final until November, the County felt that they were sufficiently confident in the estimate. Because this is significantly higher than the growth rate used in the City's previous forecast, the City Manager recommends that Council amend the proposed rate in the Resolution and Ballot language to set the 2017 levy rate at \$1.39. The revenue generated by a rate of \$1.39 with an AV growth of 10% for 2017 would be similar to the revenue generated by a rate of \$1.48 with the initial projected growth rate. Details on the impact of this change are included in Attachment B to this staff report.

To accommodate the change, Council would, by motion, recommend the following amendment as noted below:

I move to replace all references to \$1.48 in the resolution with \$1.39, beginning after the fourth recital; strike the words “which was the 2011 property tax levy rate” from the seventh recital; and replace all references to fifteen cents (\$0.15) in the resolution with nine cents (\$0.09).

This option would increase revenues beginning in 2017 and could eliminate the potential budget gaps projected to occur in 2019 through 2022. Additionally, while this measure would authorize the City Council to set the rate at \$1.39 if approved by voters, the Council would have the ability to set the rate below that level when adopting the City's tax levy during the budget process should assessed valuations increase at a rate higher than projected.

Property Tax Exemptions

Property Tax exemptions or deferrals are available to seniors (61 or older) or disabled persons with primary residence in Washington State based on the following household income requirements:

- Between \$40,000 and \$45,000 - may qualify for a deferral based on the level of equity in the home. More details are available at the following link:
http://dor.wa.gov/Docs/Pubs/Prop_Tax/SeniorDefs.pdf.
- Below \$40,000 – Property Valuation is “Frozen” and the property is exempt from all special and excess levies (school bonds, maintenance and operation levies).

- Below \$35,000 – Exempt from a portion of the “regular” levy based on the following formula:
 - Between \$30,000 and \$35,000 – exempt from \$50,000 of assessed value or 35% (whichever is greater) up to \$70,000 of assessed value;
 - Below \$30,000 – exempt from \$60,000 of assessed value or 60% (whichever is greater).

Additional information on tax relief programs and how to access them is also available at the following link:

<http://www.kingcounty.gov/depts/assessor/TaxpayerAssistance/TaxRelief.aspx>.

Ballot and Voter Pamphlet Requirements

If the City Council adopts proposed Resolution No. 389 and places the Levy Lid Lift on the November 2016 ballot, a ballot measure’s title and voter pamphlet are required to adhere to the following requirements.

Ballot Title

The ballot title for the Levy Lid Lift consists of three elements:

- a. An identification of the enacting legislative body and a statement of the subject matter;
- b. A concise description of the measure; and
- c. A question.

The ballot title must conform to these requirements and be displayed substantially as provided under state law (RCW 29A.72.050), except that the concise description must not exceed 75 words. The ballot title must also be approved by the City Attorney.

Any person who is dissatisfied with the ballot title may, at any time within 10 days from the time of the filing of the ballot title with King County Elections, appeal to King County Superior Court.

The following is the ballot title as identified in proposed Resolution No. 389. As noted in the staff report from July 11, 2016, staff has continued work on the ballot title and proposed resolution.

CITY OF SHORELINE PROPOSITION 1

**BASIC PUBLIC SAFETY, PARKS & RECREATION, AND COMMUNITY SERVICES
MAINTENANCE AND OPERATIONS LEVY**

The Shoreline City Council adopted Resolution No. 389 concerning basic public safety, parks and recreation, and community services. If approved, this proposition would restore Shoreline’s levy rate to fund police/emergency protection including neighborhood patrols and crime prevention; preserve safe parks, trails, playgrounds/playfields and the Shoreline pool; and maintain community services including senior center and youth programs.

This proposition would set Shoreline’s maximum property tax rate to \$1.48/\$1,000 of assessed valuation for collection in 2017; set the limit factor for 2018-2022 at 100% plus annual inflation (Seattle CPI-U); and use the 2022 levy amount to calculate subsequent levy limits.

Should this proposition be approved?

YES[]

NO[]

Voters' Pamphlet

For the primary and general election, King County publishes a voters' pamphlet. Districts placing measures on the ballot are automatically included in the voters' pamphlet.

The City must provide an explanatory statement of the ballot title for the voter's pamphlet. The statement describes the effect of the measure if it is passed into law, and cannot intentionally be an argument likely to create prejudice either for or against the measure. The explanatory statement is limited to 250 words, must be signed by the City Attorney, and submitted to King County Elections by August 2, 2016.

The City is also responsible for appointing committees to prepare statements in favor of and in opposition to the ballot measure. There is a limit of three members per committee. The committee appointments must be filed by August 2, 2016. Assuming that the Council moves forward with adoption of proposed Resolution No. 389, staff has scheduled appointments of the 'Pro and Con' committees at the City Council meeting on August 1, 2016.

The statements in favor of or in opposition to the ballot measure must be submitted by the Pro and Con committees to King County Elections no later than August 11, 2016. These statements are limited to 200 words. Rebuttal statements by each of the respective committees must be submitted to the County no later than August 15, 2016. Rebuttal statements are limited to 75 words.

STAKEHOLDER OUTREACH

Staff routinely makes efforts to ensure that citizens are aware of both the services provided by the City as well as the City's financial position. The following are specific efforts that have been made to engage the community in discussion about the potential renewal of the Levy Lid Lift.

Currents

Since passing the initial Levy Lid Lift in 2010, the City has consistently published articles in Currents to keep citizens informed of the financial position of the City. In addition to more than 15 articles published during that time, the City has specifically addressed the challenges of financial sustainability and sought volunteers to participate in the FSCAC in the winter 2015 edition.

Financial Sustainability Citizens Advisory Committee (FSCAC)

The City Manager engaged the FSCAC through the months of February through May 2016. The outcome of the FSCAC work was reported in detail in the 10 YFSP Update provided to Council on June 13, 2016. The committee learned about City services, engaged in a budget exercise to help identify service priorities, and learned about the 10 YFSP with a focus on the potential renewal of the Levy Lid Lift.

The FSCAC reached consensus on these recommendations to the City Manager:

1. Based on the department presentations, 2014 citizen survey presentation, budget exercise and personal experiences, the FSCAC reached consensus that maintaining the current level of City services is appropriate, even if inflation increases the cost of those services in the future. The FSCAC recommends that the City prioritize social services and economic development.
2. The FSCAC reached consensus that the City should bring a renewal of the six-year Levy Lid Lift to public vote during the November general election. It should not be so high that it results in huge budget surpluses, which could indicate that taxpayers are overly burdened. Any necessary short term extra funds generated from a levy lid lift should be used to fund:
 - Additional social services for Shoreline residents in need;
 - Local economic development projects;
 - Planning for population growth and development;
 - Future budget shortages; and,
 - Future obligations resulting from federal and state mandates.
3. The FSCAC is aware that the City is currently considering other new sources of revenue, including a business and occupation (B&O) tax. While the B&O Tax was not significantly explored by the FSCAC, the FSCAC supports the City's exploration of a B&O Tax while recognizing that the City is working to foster economic development.
4. The City should continue to strive to be efficient in delivering services and constantly look at cost saving measures.
5. The City must continue to communicate clearly and frequently to the residents of Shoreline about the value of its programs, who benefits from them and how it spends the taxpayers money.

FSCAC members considered the above mentioned alternatives. Each alternative attracted support from some FSCAC members, with the majority supporting Option Three as follows:

- Option Two – CPI Only: Supported by two (2) FSCAC members
- Option Three – \$1.48 Rate Reset + Future CPI Adjustments: Supported by seven (7) FSCAC members
- Option Four – \$1.60 Rate Reset + Future CPI Adjustments: Supported by four (4) FSCAC members

** All members voting for \$1.60 would support \$1.48.*

No FSCAC member supported the No Action option (Option One) of not placing a renewal of the levy lid lift on the ballot.

Public Meetings

Staff conducted two public meetings regarding the proposed Levy Lid Lift and FSCAC recommendations. The first meeting was held at the Richmond Beach Congregational Church on May 18 with eight (8) participants, and the second was at the Shoreline Library on May 25 with 29 participants. Staff also presented to the Richmond Beach Community Association on February 9, Shoreline Rotary on February 24, the Council of Neighborhoods (CON) on June 1, and to the Echo Lake Neighborhood Association on June 21. The presentations to each group were similar and shared information about the services that the City provided, the financial challenges faced by the City and the work of the FSCAC. A shorter presentation has been videotaped and made available on the City's website for viewing by the public. The CON was encouraged to share the information with their members.

City Website

In addition to the many financial documents available on the City's website, including monthly revenue reports, quarterly financial reports, audited financial statements, and budgets, the City also has included all documents reviewed by current and past citizen advisory committees with information and links to a number of documents about the City's long-term financial challenges.

Finally, the City's Budget Process always includes several Council meetings for budget review in which the public can comment on the proposed budget. There are also at least two formal public hearings during the budget adoption process. The City makes its budget available on the City's website, at various locations throughout the City including libraries and police storefronts, and at City Hall.

COUNCIL GOAL ADDRESSED

This item addresses Council Goal 1, "Strengthen Shoreline's economic base to maintain the public services that the community expects", and specifically, Action Step #3 of that Goal: "Implement the 10-year Financial Sustainability Plan to achieve sufficient fiscal capacity to fund and maintain priority public services, facilities, and infrastructure, including a continued focus on economic development, renewal of the property tax levy lid lift in 2016, and exploration of a business and occupation tax."

RESOURCE/FINANCIAL IMPACT

Staff estimate that election costs associated with placing the Levy Lid Lift renewal measure on the ballot at approximately \$60,000 which is within the 2016 operating budget.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. 389, with amendments recommended by the City Manager as discussed in this staff report and in Attachment B, placing renewal of the property tax levy lid lift on the November 8, 2016 general election ballot to set the City's property tax levy rate to \$1.39 per \$1,000 assessed valuation in 2017, setting the annual maximum increase for property tax levies for 2018 through 2022 at the Seattle Consumer Price Index for all Urban Consumers (CPI-U), and using the 2022 levy as the base for future year levies.

ATTACHMENTS

Attachment A – Resolution No. 389

Attachment B – July 15, 2016 City Manager Memorandum Regarding the 2017 Regular Property Tax Levy Rate

RESOLUTION NO. 389

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, PROVIDING FOR THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY OF SHORELINE AT THE NOVEMBER 8, 2016 GENERAL ELECTION OF A PROPOSITION AUTHORIZING THE CITY TO INCREASE ITS REGULAR PROPERTY TAX LEVY ABOVE THE LIMIT OTHERWISE ALLOWED BY RCW 84.55.010 TO FUND PUBLIC SAFETY, PARKS OPERATIONS, AND COMMUNITY SERVICES; SETTING FORTH THE BALLOT PROPOSITION; DIRECTING THE CITY CLERK TO CERTIFY TO THE KING COUNTY AUDITOR THIS RESOLUTION FOR THE AUDITOR TO PLACE THE PROPOSITION ON THE NOVEMBER 8, 2016 BALLOT; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO.

WHEREAS, the City of Shoreline is an optional code city, located in King County, Washington, duly organized and existing pursuant to the laws of the State of Washington; and

WHEREAS, the City is authorized to levy a permanent regular property tax not to exceed the rate of \$1.60 per \$1,000 of assessed value permitted by statute and that rate is projected to fall further in 2017; and

WHEREAS, RCW 84.55.005 - .0101 limits the incremental increase in property tax revenues to the City to a rate that has been less than the actual rate of inflation for the costs of providing services to the citizens of the City, causing total projected budget deficits over the next six years of over \$5.8 million despite sustained austerity measures and efficiencies in City government; and

WHEREAS, the City's regular property tax levy rate was \$1.48 per \$1,000 assessed valuation in 2011, that rate has fallen to \$1.33 per \$1,000 assessed valuation in 2016 and that rate is projected to fall further in 2017; and

WHEREAS, RCW 84.55.050 authorizes the voters of a City to permit the levy of taxes in excess of the levy limitations in RCW 84.55.010; and

WHEREAS, the City Council desires to address these ongoing deficits by allowing the electors to approve or reject a proposition under RCW 84.55.050(2), authorizing the City Council to levy the City's regular property tax in an amount that exceeds the incremental limit factor that would otherwise be prescribed by RCW 84.55.010; and

WHEREAS, to fund a portion of the cost of the basic public safety programs, including crime prevention and jail costs, and to fund a portion of the cost of maintaining and operating parks and community services, the proposition should authorize: 1) an increase in the City's regular property tax levy by up to an additional fifteen cents (\$0.15) per \$1,000 of assessed valuation (to a total rate not to exceed of \$1.48 per \$1,000 of assessed valuation which was the 2011 property tax levy rate) for collection in 2017; 2) an increase in the regular property tax levy

by the June to June Seattle/Tacoma/Bremerton CPI-U annual inflation rate for each of the succeeding five (5) years; and 3) use of the dollar amount of the 2022 levy for calculating subsequent levy limits;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, HEREBY RESOLVES:

Section 1. The Council hereby finds that, if approved, the levy will not supplant existing funds used to pay costs of basic public safety programs, including jails and crime prevention, and costs of maintaining and operating parks, recreation, pool, and community services. For purposes of this finding, existing funds means the actual operating expenditures for 2016 calendar year and excludes lost federal funds, lost or expired state grants or loans, extraordinary events not likely to reoccur, changes in contract provisions beyond the control of the City, and major nonrecurring capital expenditures. Pursuant to RCW 84.55.050(2) an election is hereby requested to be called, conducted, and held within the City of Shoreline on November 8, 2016, for the purpose of submitting to the qualified voters of the City, for their ratification or rejection, a proposition approving a six (6) year increase in the City's regular property tax levy exceeding the limit factor provided in RCW 84.55.005-.0101 to fund a portion of the cost of basic public safety programs, including jails and crime prevention, and to fund a portion of maintaining and operating parks, recreation, pool, and community services as more specifically described in Section 2 below.

Section 2. The proposition shall propose an increase in the City's regular property tax levy by up to fifteen cents (\$0.15) per \$1,000 of assessed valuation to a total rate not to exceed \$1.48 per \$1,000 of assessed valuation) for collection in 2017. The proposal shall also authorize an increase in the levy limit factor as allowed by chapter 84.55 RCW for each of the five (5) succeeding years (2018-2022) by the inflation rate of the Consumer Price Index for all Urban Consumers for the Seattle-Tacoma-Bremerton Area (1982-84=100) published for June. Finally, the proposition shall authorize the use of the dollar amounts of the 2022 levy for the base in computing the maximum levy that may be imposed in years after 2022.

The City Council shall determine the basic public safety programs and parks, recreation, pool, and community services to be funded as well as the timing, order and manner of funding these programs and services. The City Council shall determine the application of moneys available for these programs and services, including the final funding amount for each, so as to accomplish, as nearly as may be, the programs and services described. If the City Council, by ordinance, shall determine that it has become impractical to fund any portion of the planned programs or services by reason of changed conditions, including without limitation due to costs substantially in excess of the amount of tax levies and other City funds estimated to be available, the City shall not be required to fund such portions. If all of the planned programs and services have been duly provided for, or found to be impractical, the City may apply the levy proceeds (including earnings thereon) or any portion thereof to other City purposes as the Council, by ordinance and in its discretion, shall determine.

Section 3. The City Clerk is hereby authorized and directed, not later than August 2, 2016 prior to the general election date requested hereunder, to certify the proposition to the King County Records, Elections and Licensing Services Division, as *ex-officio* Supervisor of Elections in King County, Washington, in substantially the following form:

CITY OF SHORELINE PROPOSITION 1

BASIC PUBLIC SAFETY, PARKS & RECREATION, AND COMMUNITY SERVICES MAINTENANCE AND OPERATIONS LEVY

The Shoreline City Council adopted Resolution No. 389 concerning basic public safety, parks and recreation, and community services. If approved, this proposition would restore Shoreline’s levy rate to fund police/emergency protection including neighborhood patrols and crime prevention; preserve safe parks, trails, playgrounds/playfields and the Shoreline pool; and maintain community services including senior center and youth programs.

This proposition would set Shoreline’s maximum property tax rate to \$1.48/\$1,000 of assessed valuation for collection in 2017; set the limit factor for 2018-2022 at 100% plus annual inflation (Seattle CPI-U); and use the 2022 levy amount to calculate subsequent levy limits.

Should this proposition be approved?

YES[]

NO[]

Section 4. The City Manager and City Attorney are authorized to make such minor adjustments to the wording of such proposition as may be recommended by the King County Records, Elections, and Licensing Services Division, so long as the intent of the proposition remains consistent with the intent of this Resolution.

Section 5. The King County Records, Elections, and Licensing Services Division, as the City’s *ex officio* Supervisor of Elections, is hereby requested to call and conduct said election on November 8, 2016, and submit to the qualified electors of the City the proposition set forth herein. The King County Records, Elections, and Licensing Services Division shall conduct the election, canvas the vote, and certify the results in the manner provided by law.

Section 6. If any one or more sections, subsections, or sentences of this Resolution are held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this Resolution and the same shall remain in full force and effect.

Section 7. This Resolution shall take effect and be in full force immediately upon passage by the City Council.

ADOPTED BY THE CITY COUNCIL ON JULY 25, 2016.

Mayor Christopher Roberts

ATTEST:

Jessica Simulcik Smith
City Clerk



Memorandum

DATE: July 15, 2016

TO: City Councilmembers

FROM: Debbie Tarry, City Manager

RE: 2017 Regular Property Tax Levy Rate – Levy Lid Lift

CC: John Norris, Assistant City Manager
Sara Lane, Administrative Services Director
Rick Kirkwood, Budget Supervisor
Grant Raupp, Budget Analyst

On Tuesday, July 12, the Mayor received notification from the King County Assessor's Office, that although they had not completed their work on revaluation of properties in Shoreline, they had done enough work to tell him that the Shoreline assessed values should rise 10% in total. This revaluation is applicable in determining 2017 levies and levy rates. City staff had been inquiring with the Assessor's Office to get an update, but had been told that information would not be available until November. There are still a number of steps for the Assessor's Office to go through including assessment appeals, commercial and utility valuations and other reviews prior to finalizing Shoreline's property valuation to be used for 2017, but their office has given a preliminary indication that we should expect the final outcome to be around 10% assessed valuation (AV) growth.

The 10% growth is significantly more than the 3.1% increase that was anticipated in the City's financial model for 2017 and that was used in discussing the levy lid lift with the Financial Sustainability Citizens Advisory Committee (FSCAC).

Given the new information from the Assessor's Office, I am recommending that the City Council consider changing the proposed levy-lid lift ballot measure to restore the 2017 levy rate to \$1.39 instead of \$1.48. The \$1.39 rate would generate approximately the equivalent levy and corresponding impact to the homeowner of a median priced home as had been discussed at the \$1.48 rate with the 3.1% AV increase assumption.

Levy Comparison

Using the original 3.1% AV growth and \$1.48 levy rate for 2017, the total property tax levy was projected at \$12,508,357. This is the base levy amount that has been assumed in the City's 10 year financial model. To collect the exact same levy using the 10% AV growth assumption, the levy rate would be \$1.38745. Rounding the rate up to \$1.39 results in a slightly higher total levy of \$12,531,317 (\$22,960 more). Rounding the rate down to \$1.38 results in a slightly lower levy of \$12,441,164 (\$68,193 less). Each 1 cent increase in the levy rate generates approximately \$90,000 in additional levy revenue. Using the original \$1.48 levy rate with the 10% AV increase the projected 2017 levy would be \$13,342,697 or \$811,380 more than projected to be collected at the \$1.39 rate. Given that the 2017 levy used in the City's 10 year financial model was \$12,508,357, changing the levy rate to \$1.39 with the 10% AV growth assumption keeps the City's 10 year financial forecast in line with what was reviewed by the FSCAC.

Impact to Property Owners

The FSCAC, in making their recommendation regarding the levy lid lift, considered both the impact to property owners and the funding of City services. In consideration of property owner impact their interest was in minimizing tax burden for home and property owners while maintaining current City service levels. They felt that the levy lid lift should not be so high that it results in huge budget surpluses, which could indicate that taxpayers are overly burned. In making their final recommendation the majority (11 of 13) recommended raising the levy rate to at least \$1.48 in 2017. Again this was based on the 3.1% AV growth assumption and understanding that the projected impact to a median priced homeowner would be approximately \$84-\$86 year/\$7 month over the six year period. Assuming the 10% AV growth rate, the \$1.39 rate has approximately the same projected impact to the median priced homeowner over the six year period - \$83 year/\$7 month. On the other hand, restoring the levy rate to \$1.48 with a 10% AV growth rate for 2017 has a \$121 year/\$10 month impact. This is just slightly less than the impact discussed with the FSCAC of raising the levy rate to \$1.60.

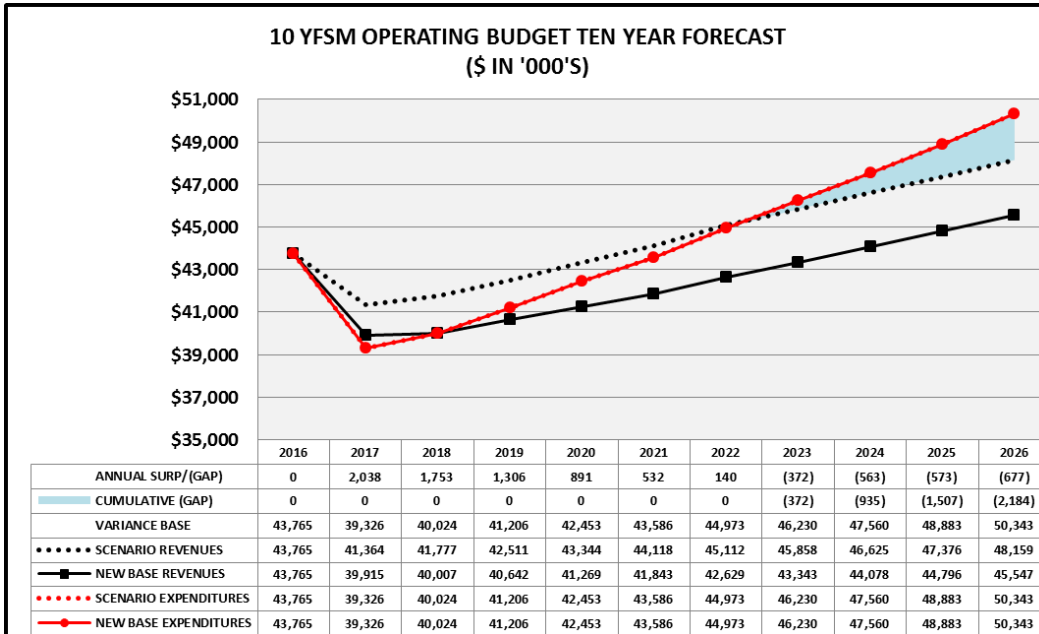
Funding of City Services

The FSCAC reached consensus that maintaining the current level of City services is appropriate, even if inflation increases the cost of those services in the future. The committee went on to say that the City should prioritize social services and economic development. They also recommended that any short-term extra funds generated from a levy lid lift should be used to fund:

- Additional social services for Shoreline residents in need;
- Local economic development projects;
- Planning for population growth and development;
- Future budget shortages;
- Future obligations resulting from federal and state mandates.

In evaluating the various levy/levy rate options, the majority of the committee recommended the reset of the levy rate to \$1.48 with CPI increases in the levy over the following five years since at this level projections showed that the City would be able to

fund current service levels over the six year period, even though projections showed some short-term surpluses. Funding gaps were projected to start occurring again in 2023 (after expiration of the levy lid lift). Again changing the AV growth assumption from 3.1% to 10% for 2017 changes this base and therefore lowering the rate from \$1.48 to \$1.39 produces similar results as is displayed below;



Assuming a 10% AV growth for 2017 and leaving the levy rate reset at \$1.48 is now projected to push potential gaps out to 2025.

Alternatives

Given that the Assessor’s Office has not yet finalized their property valuation work in Shoreline, and won’t until this fall, there is a chance that the final assessed valuation change for 2017 could be different than the 10% they have provided at this time. If Council chooses to put \$1.39 as the levy rate in the ballot measure and assessed valuation changes by less than 10% then the levy will be lower than projected and budget gaps could occur sooner than projected. The opposite is true if the actual change in assessed valuation ends up higher than the 10%.

Ultimately the 2017 levy is not adopted until Council does so as part of the budget adoption process in late November. At that time Council can adjust the levy and corresponding rate. It is important to point out that Council can always adopt a levy less than what is approved by voters, but cannot adopt a levy greater than approved by voters. As such if Council wanted to put a rate greater than \$1.39 in the ballot language and it is approved by Shoreline voters, the Council could adopt a lower levy in November as part of the budget adoption process. The difference of what was approved by voters and what was actually adopted by the City Council could be “banked” as unused capacity and assessed in the future if approved by the City Council at a future time. Even though this

is the case, voters would need to assume the highest potential impact when evaluating the ballot measure this fall.

Recommendation

Even though there is some risk with assuming that the 2017 AV change will be 10% before the work of the Assessor's Office is complete, they have indicated that they are comfortable providing that number to us for financial planning purposes. As such, I think it best to adjust the ballot measure rate to \$1.39, instead of \$1.48, to be consistent with the revenue and impact projections that have been reviewed by the FSCAC and that we have been sharing with the public. Staff will be preparing the resolution with the \$1.48 rate, since this is what was discussed by Council on July 11. As such, it will take an amendment from Council to change the rate to \$1.39.

Please contact me if you have any questions or concerns with this recommendation.

Attachments

- Memorandum from Rick Kirkwood to City Manager Tarry



Memorandum

DATE: July 13, 2016

TO: Debbie Tarry, City Manager

FROM: Rick Kirkwood, Budget Supervisor

RE: 10 Year Financial Sustainability Plan Strategy 7 Update

CC: Sara Lane, Administrative Services Director

The 10 Year Financial Sustainability Model (10 YFSM) operating budget forecast chart presented to Council on July 11, 2016 for the Option Three scenario assumes the City's Assessed Valuation (AV) will grow by 3.1%. Bailey Stober with the Office of King County Assessor provided Mayor Roberts a preliminary year-over-year percentage change in the City's AV of 10.0%. This memo summarizes the impact of changing the AV growth rate assumption with regard to the City's AV as a whole as well as the growth in AV from the 2016 median home value of \$353,000, as established by the King County Assessor. The following tables summarize the information presented in detail below.

Original Option Three Scenario Presented July 11, 2016:

Option	Description	Six-Year Total of City Assessment (2017-2022)	Six-Year Difference to No Action	Average Increase per Year / Month
7/11/2016 Option One: No Action	Levy Lid Lift is not renewed; 2017 Tax Rate projected @ \$1.30	\$2,828	N/A	N/A
7/11/2016 Option Three: \$1.48 + CPI	City AV growth of 3.1%; 2017 Tax Rate set @ \$1.48; future by CPI; calc. based upon 2016 median home value (\$353,000)	\$3,329	\$501	\$84 / \$7

Revised Option Three Scenario:

Option	Description	Six-Year Total of City Assessment (2017-2022)	Six-Year Difference to No Action	Average Increase per Year / Month
Revised Option One: No Action	City AV growth of 3.1%; Levy Lid Lift is not renewed; calc. based upon 2016 median home value incr. by 3.1% (\$364,000)	\$2,916	N/A	N/A
Revised Option Three: \$1.48 + CPI	City AV growth of 3.1%; 2017 Tax Rate set @ \$1.48; future by CPI; calc. based upon 2016 median home value incr. by 3.1% (\$364,000)	\$3,433	\$517	\$86 / \$7

Alternative AV Growth Scenarios One and Two:

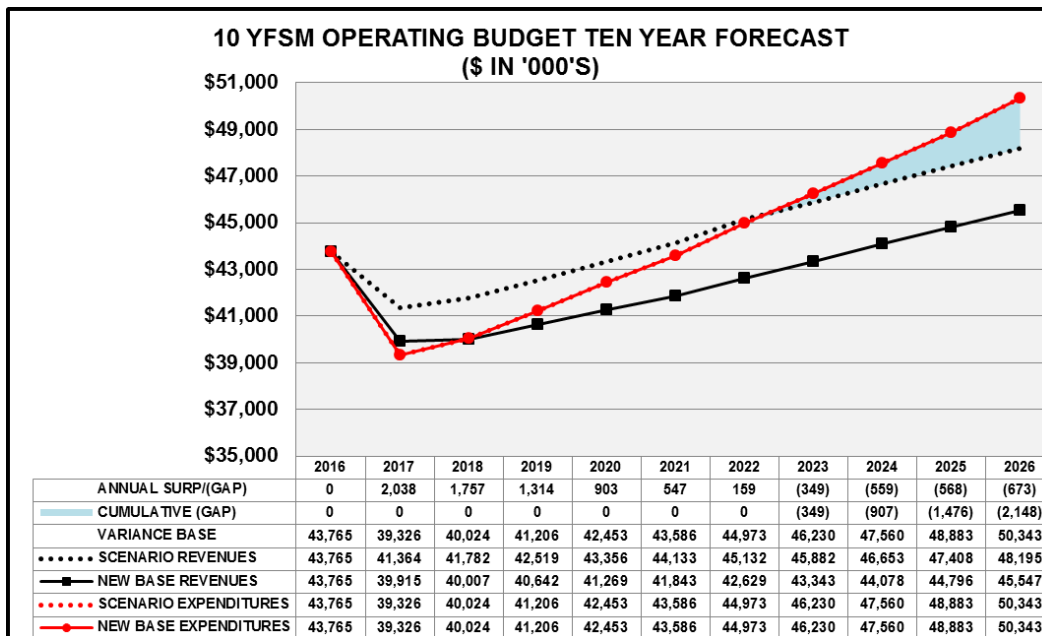
Option	Description	Six-Year Total of City Assessment (2017-2022)	Six-Year Difference to No Action	Average Increase per Year / Month
Alt AV Growth No Action	AV growth of 10.0%; future by 1.0%; calc. based upon 2016 median home value incr. by 10.0% (\$388,300)	\$2,934	N/A	N/A
Alt AV Growth Scenario One	AV growth of 10.0%; 2017 Tax Rate set @ \$1.39; future by CPI; calc. based upon 2016 median home value incr. by 10.0% (\$388,300)	\$3,433	\$499	\$83 / \$7
Alt AV Growth Scenario Two	AV growth of 10.0%; 2017 Tax Rate set @ \$1.48; future by CPI; calc. based upon 2016 median home value incr. by 10.0% (\$388,300)	\$3,661	\$727	\$121 / \$10

The following table summarizes the amount of the 2017 levy calculated at different levy rates given the revised AV growth rate assumption as well as the difference from the projected 2017 levy should no action be taken.

Rate	2017 Levy	Difference to Revised No Action
\$1.22829	\$11,073,443	N/A
\$1.38000	\$12,441,164	\$1,367,721
\$1.38745	\$12,508,357	\$1,434,914
\$1.39000	\$12,531,317	\$1,457,874
\$1.40000	\$12,621,470	\$1,548,027
\$1.41000	\$12,711,624	\$1,638,181
\$1.42000	\$12,801,777	\$1,728,334
\$1.43000	\$12,891,931	\$1,818,488
\$1.44000	\$12,982,084	\$1,908,641
\$1.45000	\$13,072,237	\$1,998,794
\$1.46000	\$13,162,391	\$2,088,948
\$1.47000	\$13,252,544	\$2,179,101
\$1.48000	\$13,342,697	\$2,269,254

Option Three Scenario Presented July 11, 2016:

The 10 Year Financial Sustainability Model (10 YFSM) operating budget forecast chart presented to Council on July 11, 2016 for the Option Three scenario (see chart below) assumes: (1) the City’s Assessed Valuation (AV) will grow by 3.1% from the 2016 total of \$8,195,760,031 to a 2017 total of \$8,451,559,877, (2) sets the new tax rate for 2017 at \$1.48, and (3) “lifts” the lid for each ensuing year through 2022 by a percentage increase tied to the Consumer Price Index (CPI). These assumptions work together to set the 2017 levy at \$12,508,309 ($(\$8,451,559,877/1,000) * \$1.48000 = \$12,508,309$). This scenario is projected to generate \$11.763 million more in property tax revenue over the six year period of the Levy Lid Lift than that generated under a No Action alternative.



The 2016 median home value of \$353,000, as established by the King County Assessor, was used to illustrate that a homeowner would pay \$501 more over the six year period than under the No Action alternative, or an increase on average of \$84 per year/\$7 per month.

Estimated impact to the median homeowner if the Levy Rate is reset to \$1.48/\$1,000 AV in 2017 and the Levy Lid Lift allows the levy to increase by CPI-U for 2018-2022.							
Year	Assessed Value	Per \$1,000 (AV/\$1,000)		Levy Rate		City Assessment	Difference to No Action (1% Limit)
2017	\$353,000	\$353	X	\$1.48	=	\$522	\$62
2018	\$364,800	\$365	X	\$1.47	=	\$536	\$71
2019	\$376,800	\$377	X	\$1.46	=	\$549	\$80
2020	\$391,600	\$392	X	\$1.43	=	\$561	\$88
2021	\$406,400	\$406	X	\$1.41	=	\$574	\$96
2022	\$421,100	\$421	X	\$1.39	=	\$587	\$104
Total over 6 Year Period 2017-2022						\$3,329	\$501

A 2017 median home value of \$364,000 was calculated by increasing the 2016 median home value of \$353,000, as established by the King County Assessor, by 3.1% to illustrate that a homeowner would pay \$517 more over the six year period than under the No Action alternative, or an increase on average of \$86 per year/\$7 per month.

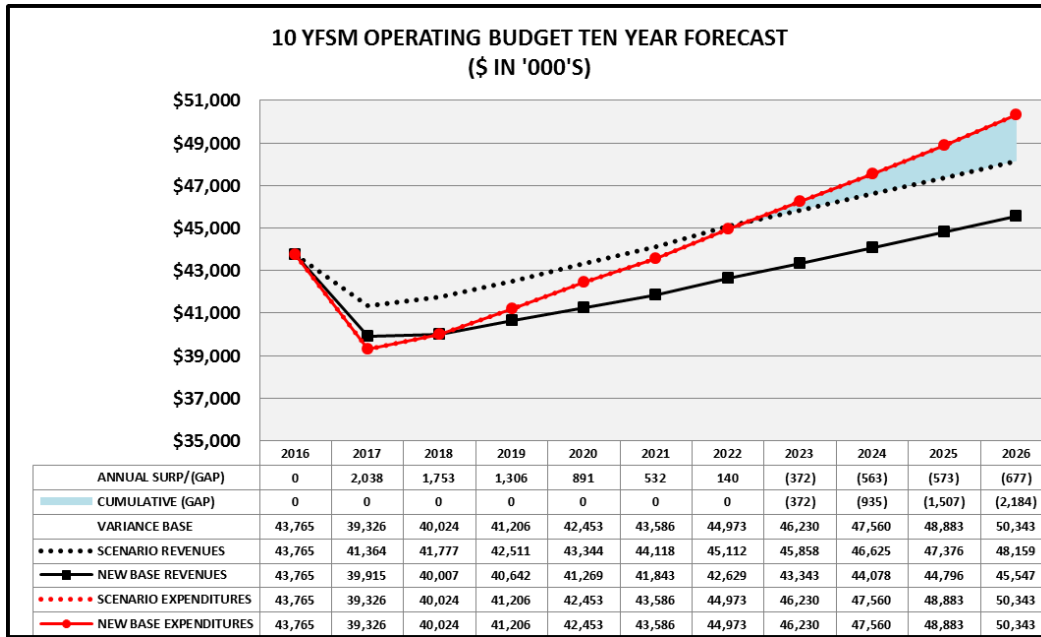
Revised: Estimated impact to the median homeowner if the 2017 median home value increased by 3.1% from 2016, Levy Lid Lift is not renewed.						
Year	Assessed Value	Per \$1,000 (AV/\$1,000)		Levy Rate		City Assessment
2017	\$364,000	\$364	X	\$1.30	=	\$474
2018	\$376,100	\$376	X	\$1.27	=	\$479
2019	\$388,500	\$389	X	\$1.25	=	\$484
2020	\$403,800	\$404	X	\$1.21	=	\$488
2021	\$419,100	\$419	X	\$1.18	=	\$493
2022	\$434,300	\$434	X	\$1.15	=	\$498
Total over 6 Year Period 2017-2022						\$2,916

Revised: Estimated impact to the median homeowner if the 2017 median home value increases by 3.1% from 2016, Levy Rate is reset to \$1.48/\$1,000 AV in 2017, and the Levy Lid Lift allows the levy to increase by CPI-U for 2018-2022.							
Year	Assessed Value	Per \$1,000 (AV/\$1,000)		Levy Rate		City Assessment	Difference to No Action (1% Limit)
2017	\$364,000	\$364	X	\$1.48	=	\$539	\$65
2018	\$376,100	\$376	X	\$1.47	=	\$553	\$74
2019	\$388,500	\$389	X	\$1.46	=	\$566	\$82
2020	\$403,800	\$404	X	\$1.43	=	\$578	\$90
2021	\$419,100	\$419	X	\$1.41	=	\$592	\$99
2022	\$434,300	\$434	X	\$1.39	=	\$605	\$107
Total over 6 Year Period 2017-2022						\$3,433	\$517

Alternative AV Growth Scenario One:

Bailey Stober with the Office of King County Assessor provided Mayor Roberts a preliminary year-over-year percentage change in the City’s AV of 10.0%. Revising this assumption would result in a 2017 total AV of \$9,015,336,034. Under a No Action alternative the 2017 levy rate would be set at \$1.22829 to generate a 2017 levy of \$11,073,443.

The 2017 levy rate would be set at \$1.38745 to generate a 2017 levy that is only \$19 higher than that for the original Option Three scenario (((\$9,015,336,034/1,000) * \$1.38745 = \$12,508,328). This alternative scenario will generate \$11.704 million more in property tax revenue over the six year period than that generated under the original No Action alternative or \$11.749 million more than that generated under the revised No Action alternative.



It is important to note that the difference in revenue generated under this scenario is the result of using a lower levy rate to calculate the new construction levy in future years. A 2017 median home value of \$388,300 was calculated by increasing the 2016 median home value of \$353,000, as established by the King County Assessor, by 10.0% to illustrate that a homeowner would pay \$499 more over the six year period than under the No Action alternative, or an increase on average of \$83 per year/\$7 per month.

Alternative One: Estimated impact to the median homeowner if the 2017 median home value increased by 10.0% from 2016, Levy Lid Lift is not renewed.

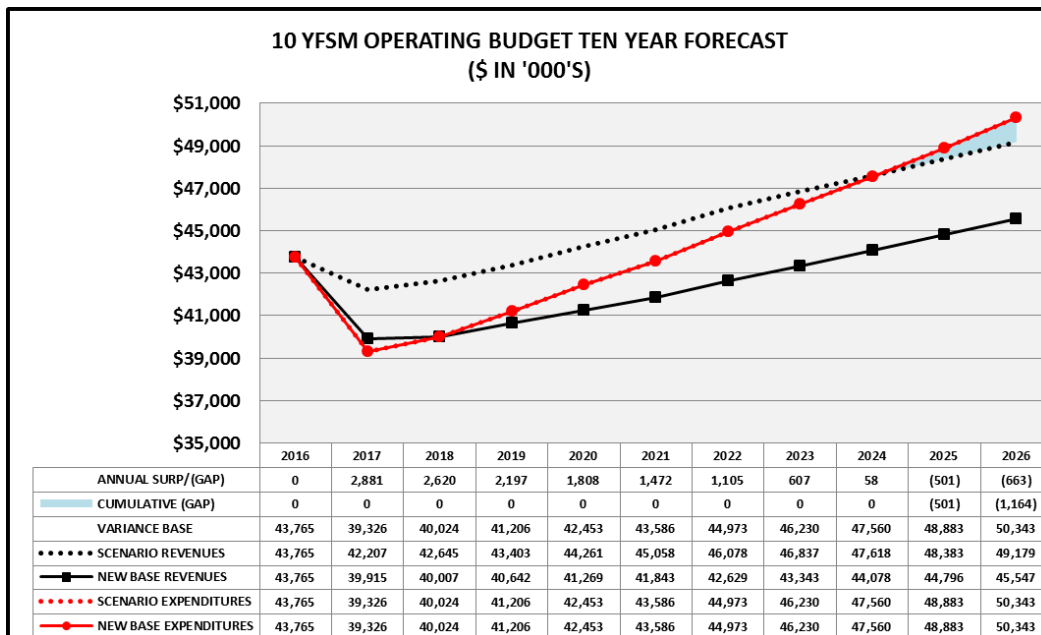
Year	Assessed Value	Per \$1,000 (AV/\$1,000)		Levy Rate		City Assessment
2017	\$388,300	\$388	X	\$1.23	=	\$477
2018	\$401,200	\$401	X	\$1.20	=	\$482
2019	\$414,400	\$414	X	\$1.17	=	\$487
2020	\$430,700	\$431	X	\$1.14	=	\$491
2021	\$447,000	\$447	X	\$1.11	=	\$496
2022	\$463,200	\$463	X	\$1.08	=	\$501
Total over 6 Year Period 2017-2022						\$2,934

Alternative One: Estimated impact to the median homeowner if the City’s AV grows 10% from 2016 to 2017, the Levy Rate is reset to \$1.38745/\$1,000 AV in 2017, and the Levy Lid Lift allows the levy to increase by CPI-U for 2018-2022.

Year	Assessed Value	Per \$1,000 (AV/\$1,000)		Levy Rate		City Assessment	Difference to No Action (1% Limit)
2017	\$388,300	\$388	X	\$1.39	=	\$539	\$62
2018	\$401,200	\$401	X	\$1.38	=	\$553	\$71
2019	\$414,400	\$414	X	\$1.37	=	\$566	\$79
2020	\$430,700	\$431	X	\$1.34	=	\$578	\$87
2021	\$447,000	\$447	X	\$1.32	=	\$592	\$96
2022	\$463,200	\$463	X	\$1.31	=	\$605	\$104
Total over 6 Year Period 2017-2022						\$3,433	\$499

Alternative AV Growth Scenario Two:

This alternative scenario also revises the City AV growth rate. A 2017 levy rate of \$1.48000 would generate a total levy of \$13,342,697, which is \$834,388 higher than that generated under the original Option Three scenario ($(\$9,015,336,034/1,000) * \$1.48000 = \$13,342,697$). This alternative scenario will generate \$17.075 million more in property tax revenue over the six year period than that generated under the original No Action alternative or \$17.121 million more than that generated under the revised No Action alternative.



A 2017 median home value of \$388,300 is used to illustrate that a homeowner would pay \$727 more over the six year period than under the No Action alternative, or an increase on average of \$121 per year/\$10 per month. It is important to note that the slight

difference in City Assessment under this scenario as compared to the Option Three scenario presented at the top of this memo is the result the 10.0% growth in AV has on the levy rates in the future years.

Alternative Two: Estimated impact to the median homeowner if the 2017 median home value increased by 10.0% from 2016, Levy Lid Lift is not renewed.						
Year	Assessed Value	Per \$1,000 (AV/\$1,000)		Levy Rate		City Assessment
2017	\$388,300	\$388	X	\$1.23	=	\$477
2018	\$401,200	\$401	X	\$1.20	=	\$482
2019	\$414,400	\$414	X	\$1.17	=	\$487
2020	\$430,700	\$431	X	\$1.14	=	\$491
2021	\$447,000	\$447	X	\$1.11	=	\$496
2022	\$463,200	\$463	X	\$1.08	=	\$501
Total over 6 Year Period 2017-2022						\$2,934

Alternative Two: Estimated impact to the median homeowner if the City's AV grows 10% from 2016 to 2017, the Levy Rate is reset to \$1.48/\$1,000 AV in 2017, and the Levy Lid Lift allows the levy to increase by CPI-U 2018-2022.							
Year	Assessed Value	Per \$1,000 (AV/\$1,000)		Levy Rate		City Assessment	Difference to No Action (1% Limit)
2017	\$388,300	\$388	X	\$1.48	=	\$575	\$98
2018	\$401,200	\$401	X	\$1.47	=	\$589	\$107
2019	\$414,400	\$414	X	\$1.46	=	\$604	\$117
2020	\$430,700	\$431	X	\$1.43	=	\$617	\$126
2021	\$447,000	\$447	X	\$1.41	=	\$631	\$135
2022	\$463,200	\$463	X	\$1.39	=	\$645	\$144
Total over 6 Year Period 2017-2022						\$3,661	\$727

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Right-of-Way Landscape Maintenance Services Discussion
DEPARTMENT:	Public Works
PRESENTED BY:	Randy Witt, Public Works Director Lance Newkirk, Utility and Operations Manager
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

The City currently uses outside contractual services to perform Right-of-Way (ROW) Landscape Maintenance Services. Services outsourced include irrigation, litter removal, mowing, weed removal, and general cleanup for approximately 60 curb miles of arterial and collector streets. Areas served by contract include median beds, planter strips and intersecting streets along Aurora Avenue between 145th and 192nd Streets, 32 Neighborhood Traffic Circles, 28 street locations, five (5) beautification areas, and at specified intervals. The current landscape maintenance services contract ends December 31, 2016.

In preparation of a fall 2016 request for bids for this service, staff is conducting a ROW landscape maintenance program review. Staff is reviewing areas of service, frequency of services, means and methods of service delivery, scope of work parameters, bid schedules and contract language. The intent of this review is to create a ROW landscape maintenance services program that is attractive to potential bidders, provides clarity and ease of contract implementation and monitoring for city staff and contractor alike, establishes service levels that are supported by annual budget appropriations, and is valued by the community. Therefore, staff is seeking guidance from Council to inform the development of the bid request and 2017 budget for ROW landscape maintenance services.

RESOURCE/FINANCIAL IMPACT:

The 2016 budget for the ROW Landscape Maintenance Services Contract is \$215,000. Staff estimates that to add the newly completed Aurora Avenue segment between 192nd and 205th Streets to the landscape maintenance services contract and maintain existing service levels elsewhere in the City will require an estimated additional budget appropriation of \$100,000 for 2017. Of this additional \$100,000, \$44,000 is the estimated funding increase from the CIP model for new Aurora Avenue landscape services with the remaining \$56,000 required for a market adjustment and/or a possible change in the means of service delivery (use of seasonal labor during summer growing season in combination with the contract landscaping services). The City's 10 YFSP model included \$60,000 of market adjustment for 2017 and the Aurora landscaping

(\$44,000) to start in 2018. The Aurora landscaping responsibilities will actually transition to the City in 2017.

In order to help manage overall landscaping costs, consideration may be given to reducing levels of service for the 2017 landscape maintenance service contract through the elimination or reduction in frequency of overall services, a service category, or at specific locations if bids for services come in higher than the City's anticipated budget for such services.

However, given the addition of the newly constructed Aurora Avenue street segment between 192nd and 205th it is anticipated, at a minimum, that the base budget will need to be supplemented to include this new service location.

The distribution of appropriated budget for ROW Landscape Maintenance Services between the Street and Surface Water funds for 2016 and the projected distribution of funds for 2017 is as follows:

Year	Streets Fund	Surface Water Fund	Total
2016	\$185,000	\$30,000	\$215,000
2017	\$275,000	\$40,000	\$315,000

RECOMMENDATION

No action is required by the Council. This item is provided for informational purposes and to solicit guidance on development of the 2017 budget and bid documents for ROW landscape maintenance services. Staff recommends that a combination of outsource landscape maintenance services with City seasonal labor be utilized to provide this service, with no reduction in the level of service.

Approved By: City Manager **DT** City Attorney **MK**

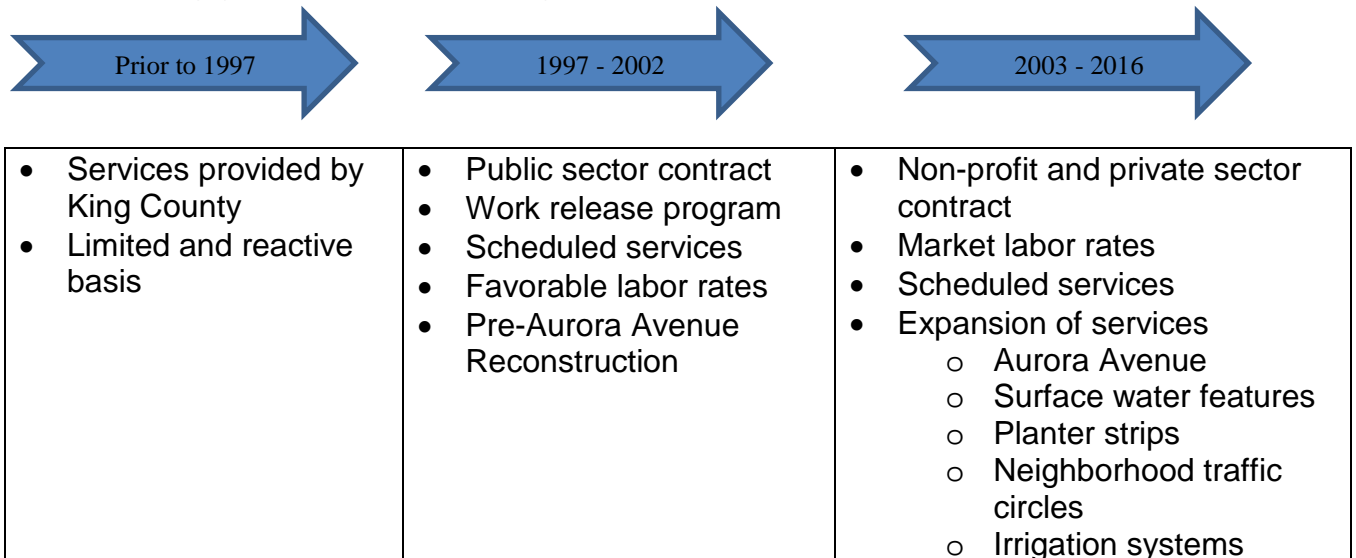
BACKGROUND

The City has used contractual services to perform Right-of-Way (ROW) Landscape Maintenance Services since the summer of 1997. King County provided ROW landscape services from the date of incorporation through mid-1997. The services provided by King County were limited and reactive; meaning that the services were oriented more towards ROW vegetation control (shoulder mowing, sight line distance clearing, hazardous vegetation removal, and etc.) and not organized by specific or general geographical location or set schedule.

In the summer of 1997 a pilot program was tested that organized vegetation control efforts within the public ROW on a scheduled basis. Under a public sector contract, the King County North Rehabilitation Facility (NRF) provided work release labor to maintain planter beds, grass strips between curb and sidewalk and general mowing, weeding and litter control services as directed by City staff. These services were provided by NRF through 2002 until on-site security measures raised public concern with the community viability of the program.

From 2003 through the present day, the City has outsourced the ROW landscape maintenance services to several different vendors in the private and the non-profit sectors. During this timeframe the scope of contracted services expanded as Aurora Avenue Phase I and Phase II was completed and the completed projects required on-going landscape maintenance services. New streets, neighborhood traffic circles and irrigation systems were also added to the contract. These service expansions also included adjustments in frequency of service as staff sought the right service balance between cost, ROW aesthetics and public safety.

The following graphic show the change in provided landscape services over time:



Current ROW Landscape Maintenance Services Status

On August 31, 2015, the City was informed by its landscape maintenance contractor that they were canceling their contract with the City, with an end date of their final contract term on March 31, 2016. The reason given to the City for contract cancelation

was that they had underestimated the amount of labor required to provide the contract services and as a result were losing money.

As a result of this notification staff developed and issued an invitation to bid for ROW Landscape Maintenance Services in January 2016. Bids were received, evaluated and the service contract authorization for the apparent low bidder was brought to Council on March 21, 2016, which was approved. The staff report for this Council action can be found at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2016/staffreport032116-7b.pdf>

However, during the contract execution process, after approval was already given by Council, it came to light that the apparent low bidder had misinterpreted the bidding instructions related to their understanding of the bid schedule service duration and pricing of services. This misunderstanding resulted in the preferred service provider's bid being higher than the City expectations and the amount budgeted for these services. As a result, the City deemed their bid non-responsive. Staff then reviewed the next lowest service provider's bid proposal for this work and determined that their proposal was approximately \$70,000 over the approved budget. As a result of the bidding discrepancy by the apparent low respondent and having insufficient funds to award a contract to the next lowest service provider, all bids for ROW Landscape Maintenance Services received in response to the RFP were rejected.

With no contract for ROW Landscape Maintenance in-place at the start of the spring growing season, staff negotiated a reduced scope landscape maintenance contract with the City's former landscape maintenance contractor. This contract was designed to serve as a 'bridge contract' and provide continuity of service in such a way as to protect the City's investment in its living assets and provide staff with time to evaluate ROW landscape maintenance service options. This short term (90 days) contract began on April 21, 2016 and ended July 20, 2016.

During this 90-day contract timeframe, staff developed an invitation to bid to provide ROW landscape maintenance services from the end of the 90-day contract (July 20, 2016) through the end of the calendar year. The bid was issued June 23, 2016 to qualified firms listed on the Municipal Research Services Corporation (MRSC) small works roster list. Two bids were received on July 7, 2016 and they are currently under review with the intent to award a contract to the qualified low bidder prior to the end of the current 90-day contract.

With the award of this year-end contract, staff is shifting focus to developing the scope of work, bid schedule tables and other documentation required to issue a request for bids for the 2017 ROW Landscape Maintenance Landscape Services contract in early fall 2016.

DISCUSSION

In preparation for the fall 2016 request for bids for ROW landscape maintenance services, staff is conducting a ROW landscape maintenance program review. Staff is reviewing areas of service, frequency of services, means and methods of service

delivery, scope of work parameters, bid schedules and contract language. The intent of this review is to create a ROW landscape maintenance services program that is attractive to potential bidders, provides clarity and ease of contract implementation and monitoring for city staff and contractor alike, establishes service levels that are supported by annual budget appropriations, and is valued by the community. For tonight's discussion, staff reviewed the service delivery model of how landscape services are provided and the level of service provided.

Service Delivery Model

Staff has reviewed three different service delivery options to provide ROW Landscape Maintenance Services within the City. The three delivery options evaluated include outsourcing, providing services with in-house staff and a combination of outsourcing and seasonal labor. The different options and their advantages and disadvantages are as follows:

Option 1: Outsourcing Landscape Maintenance Services

This option envisions a continuation of outsourcing of all of the ROW Landscape Maintenance Services. Services that are outsourced can be increased, maintained at current levels, or reduced. Adding the newest segment of Aurora Avenue will require additional budget appropriation. Based upon recent bids, maintaining current service levels will also require additional budget appropriation; whereas, reducing service levels may allow for a lesser budget appropriation increase.

Pro

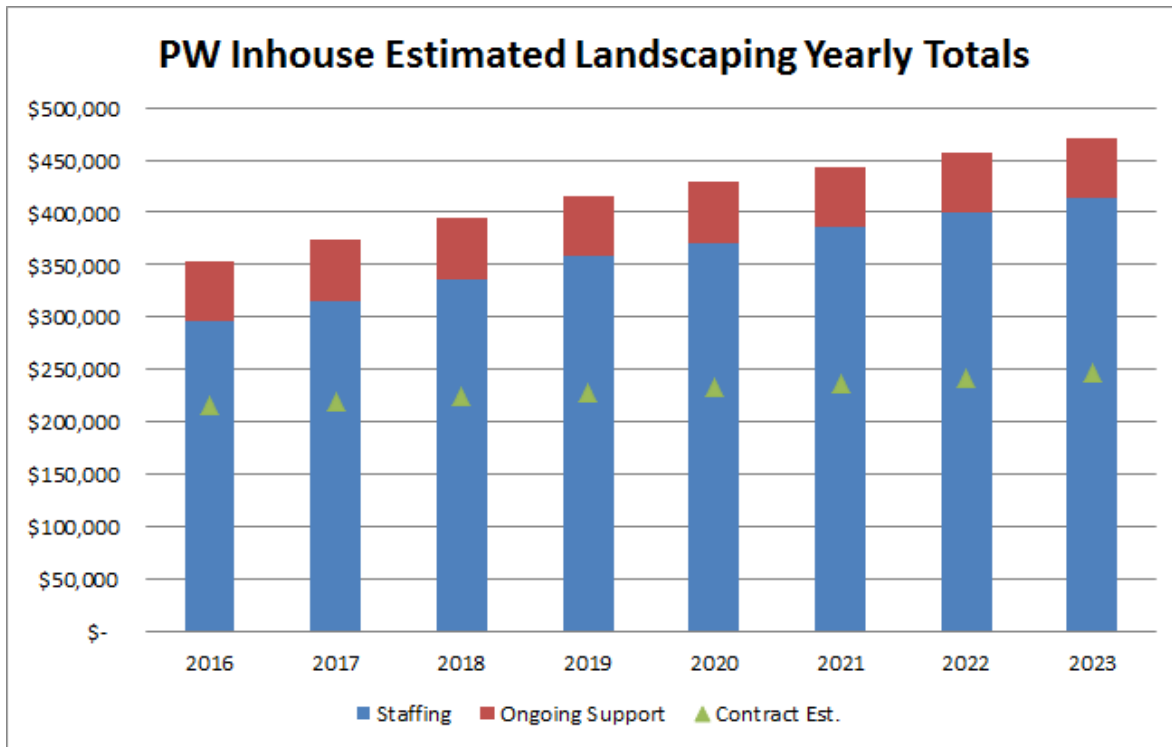
- Reduced cost of service compared to using City staff
- No City equipment acquisition, repair or maintenance costs
- Core business focus of contractors
- Contractor has greater staffing flexibility to adjust labor during growing and off-season

Con

- Completeness of work
- Limited flexibility to direct work
- Timely response to service requests
- Contractor staff turnover
- Contract administration and on-going oversight

Option 2: Provide Landscape Maintenance Services In-House

This option envisions providing all of the ROW Landscape Maintenance Services with addition of new City staff and equipment. Service delivery will shift from outsourced labor to three full-time new City employees: two (2) Maintenance Worker II's, one (1) Maintenance Worker I, and up to four (4) seasonal maintenance positions during the spring-summer growing season. The following graphic illustrates that the estimated expenses of in-house labor with on-going expenditures (fuel, repairs, supplies, etc.), are more expensive when compared to anticipated contracted expenditures for 2016.



Although it will be dependent on the outcomes of the service bids, staff anticipates that a similar result will occur with the addition of the new Aurora Avenue work starting in 2017.

Pro

- Stable workforce
- Flexibility to direct crews
- Quality control; ownership and pride of work
- Ability to support other activities (e.g. emergency weather events)

Con

- Start up and on-going cost currently higher than outsourcing
- Seasonality of work

Option 3: Combination of Outsourced and Seasonal Labor Landscape Maintenance Services

This option envisions providing approximately 75% of the ROW Landscape Maintenance Services through outsourced labor (contract) and approximately 25% of the services with City hired seasonal help. This service model keeps the outsourced labor focused on Aurora Avenue year round and shifts responsibility to the seasonal labor to all other service areas during the spring-summer growing season.

Pro

- Cost containment
- Improved quality control
- Flexibility to direct seasonal labor
- Ability to support other maintenance activities

Con

- Hamlin Maintenance Facility space limitations for equipment, parking and crew muster
- Training and oversight of seasonal labor

Of the three service options, staff believes that Option 3 provides the highest cost value to the City while offering the greatest service flexibility to provide quality ROW landscape maintenance services to the citizens of Shoreline.

Level of Service (LOS)

The ROW Landscape Maintenance Services LOS sought under the 2016 bid (that was rejected for bidding discrepancies) included the following service locations and frequency of services.

Contract Service Locations	Frequency of Service
Aurora Avenue N and Adjacent Side Streets	Twice-a-month
Aurora Avenue N Bioretention and Surface Water Features	Twice-a-month
Beautification Areas	Monthly
Various Street Locations	Three times per year
Various Street Locations (Bid Additive)	One additional time per year
Neighborhood Traffic Circles	Three times per year
Irrigation	Monthly – Inspection and adjustment, and seasonal start up and winterization

The past bid costs to provide these services varied significantly. The last bid prices received from four bidders are organized on the following table by lowest and highest price independent of the bidder.

Contract Service Locations	Low	High
Aurora Avenue N and Adjacent Side Streets	\$62,028	\$83,000
Aurora Avenue N Bioretention and Surface Water Features	11,245	44,994
Beautification Areas	5,033	10,584
Various Street Locations	53,683	165,870
Various Street Locations (Bid Additive)	12,960	82,935
Neighborhood Traffic Circles	1,200	8,388
Irrigation	630	11,743
Total	\$151,779	\$407,514

Staff is updating contract language, scope of work and bidding schedules for the next requests for bids. Staff sees this as one method to improve contractor understanding of the work with the expectation that closer pricing ranges will result for the various contract activities.

Another method to reduce landscape maintenance service costs is to consider a reduction in service levels. For example, reduction in service levels could include:

- Reducing the frequency of service of various streets locations from three (3) times a year to two (2) times a year
- Ending maintenance of the Neighborhood Traffic Circles
- Ending maintenance on beautification areas at:
 - I-5 on and off ramps at N 175th Street
 - Meridian Avenue N and NW 205th Street
 - 178th Street and 24th Avenue

If all of these service reductions were implemented, annual costs savings of between \$30,000 and \$50,000 may result. However, any saving projections will be validated during the bidding process and may be higher or lower than estimated in this report. Staff believes that the current LOS should be maintained to provide a high quality of service.

Shoreline Citizen Feedback

Citizen feedback received through the biennial Citizen Satisfaction Survey indicates that citizens are generally satisfied or very satisfied with ROW landscape maintenance services (although not overwhelmingly so) when asked: “How satisfied are you with mowing and trimming along city streets and other public areas?” The ratings from the three previous surveys are as follows:

Survey Year	Percentage Satisfied or Very Satisfied
2014	57%
2012	59%
2010	56%

On the Importance-Satisfaction matrix it fell into the “Less Important” quadrant in 2010, 2012, and 2014 (people are less satisfied, but it isn’t as important to them). This is illustrated in the graphic taken from the 2014 Community Survey, which is attached to this staff report as Attachment A.

RESOURCE/FINANCIAL IMPACT

The 2016 budget for the ROW Landscape Maintenance Services Contract is \$215,000. Staff estimates that to add the newly completed Aurora Avenue segment between 192nd and 205th Streets to the landscape maintenance services contract and maintain existing service levels elsewhere in the City will require an estimated additional budget appropriation of \$100,000 for 2017. Of this additional \$100,000, \$44,000 is the estimated funding increase from the CIP model for new Aurora Avenue landscape services with the remaining \$56,000 required for a market adjustment and/or a possible change in the means of service delivery (use of seasonal labor during summer growing season in combination with the contract landscaping services). The City’s 10 YFSP model included \$60,000 of market adjustment for 2017 and the Aurora landscaping (\$44,000) to start in 2018. The Aurora landscaping responsibilities will actually transition to the City in 2017.

In order to help manage overall landscaping costs, consideration may be given to reducing levels of service for the 2017 landscape maintenance service contract through the elimination or reduction in frequency of overall services, a service category, or at specific locations if bids for services come in higher than the City’s anticipated budget for such services. However, given the addition of the newly constructed Aurora Avenue street segment between 192nd and 205th it is anticipated, at a minimum, that the base budget will need to be supplemented to include this new service location.

The distribution of appropriated budget for ROW Landscape Maintenance Services between the Street and Surface Water funds for 2016 and the projected distribution of funds for 2017 is as follows:

Year	Streets Fund	Surface Water Fund	Total
2016	\$185,000	\$30,000	\$215,000
2017	\$275,000	\$40,000	\$315,000

RECOMMENDATION

No action is required by the Council. This item is provided for informational purposes and to solicit guidance on development of the 2017 budget and bid documents for ROW landscape maintenance services. Staff recommends that a combination of outsource landscape maintenance services with City seasonal labor be utilized to provide this service, with no reduction in the level of service.

ATTACHMENT

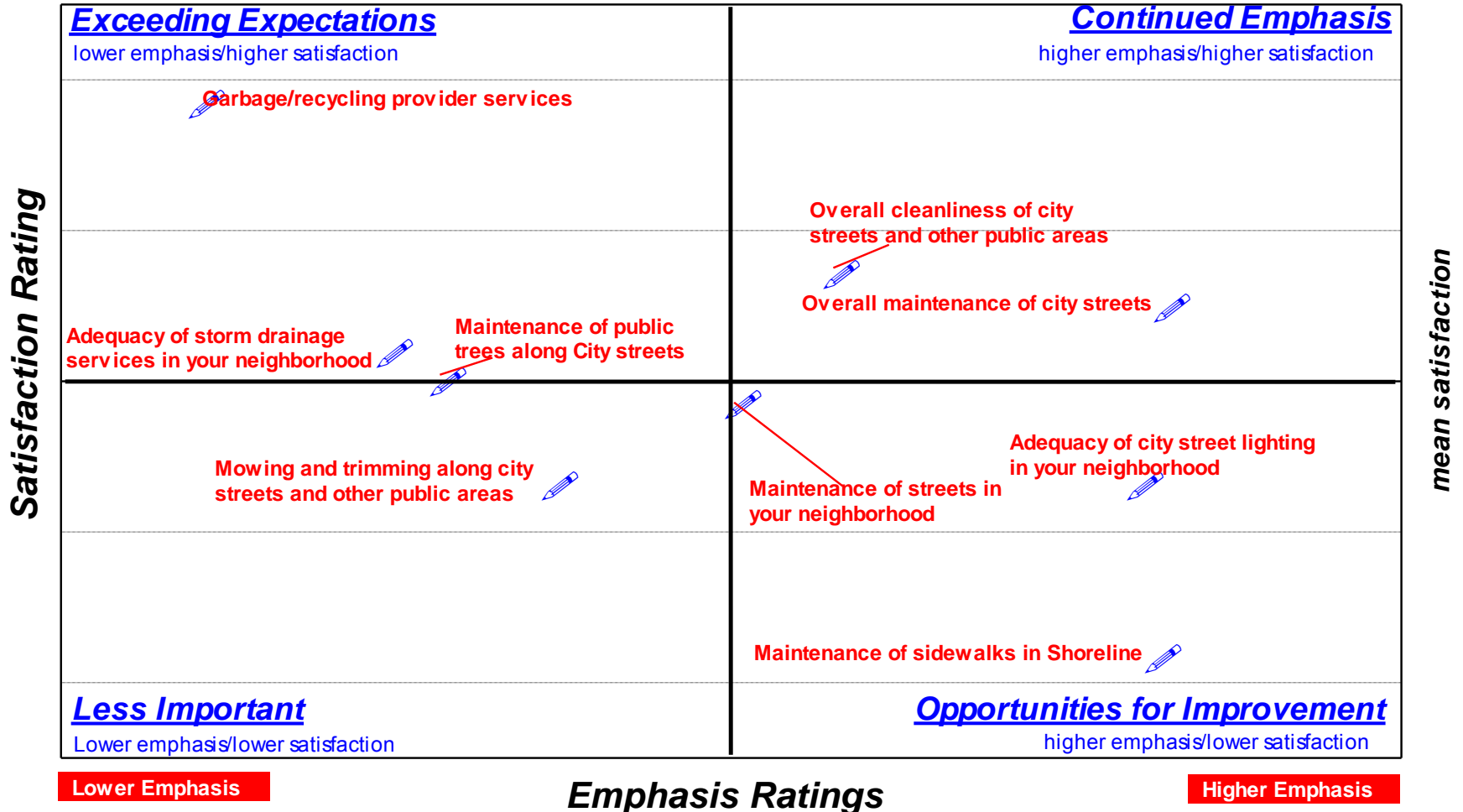
Attachment A – 2014 Community Survey: Importance-Satisfaction Assessment Matrix for Maintenance Services

City of Shoreline 2014 Community Survey Importance-Satisfaction Assessment Matrix

-Maintenance Services-

(points on the graph show deviations from the mean satisfaction and importance ratings given by respondents to the survey)

mean importance



CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Aurora Corridor Project Update – Budget Savings		
DEPARTMENT:	Public Works		
PRESENTED BY:	Randy Witt, Director of Public Works Nytasha Sowers, Transportation Planning Manager		
ACTION:	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input type="checkbox"/> Motion
	<input checked="" type="checkbox"/> Discussion	<input type="checkbox"/> Public Hearing	

PROBLEM/ISSUE STATEMENT:

The final segment of the Aurora Improvement Project, from N 192nd to N 205th Street, has been completed on time and under budget. The total estimated final cost for completion of improvements for this segment is \$41,116,975. The majority of funding to complete this segment of the Aurora corridor is from federal, state and local grant sources and funding partnerships with local utilities. Approximately four percent (4%) of the funding for this segment (\$1,610,468) is from the City's Roads Capital Fund.

At the time that Council authorized the construction contract for the final Aurora segment, Council opted to remove the 1% for Arts contribution (SMC 3.35.150) and reevaluate this position prior to final close-out of the project. The 1% for Arts contribution is based on the construction contract of a project, and in this case, would total \$212,871. Removing the 1% for Arts contribution from the project budget was done at the time of awarding the construction contract because there was concern whether the project could be completed within the adopted budget. Council agreed to revisit this issue towards the close-out of the project. This is now the time that Council should determine if the 1% for Arts contribution should be restored as part of the project budget.

There are also unused funds that can be returned to the Roads Capital Fund and then allocated to other roadway capital projects through the ongoing 2017-2022 Capital Improvement Plan (CIP) process. Staff is seeking guidance on the projects or activities that these funds could be directed to in the development of the 2017-2022 CIP.

RESOURCE/FINANCIAL IMPACT:

The final segment of the Aurora Improvement Project was completed on time and under budget. The estimated final cost of the project is \$41,116,975. A minimum of \$800,000 of Roads Capital Funding will remain unspent on the project.

If Council adopts staff's recommendation to allocate the eligible constructions costs of \$212,871 for this project to the City's Municipal Art fund, approximately \$587,000 is available to return to the Roads Capital Fund. Staff has identified high priority projects

that could utilize these funds and established recommended projects for consideration in developing the CIP.

RECOMMENDATION

Staff recommends contributing \$212,871 to the City's Municipal Art Fund to meet the project's deferred 1% for the Arts contribution and returning the remaining \$587,000 to the Roads Capital Fund and directing it to be used in the development of the 2017-2022 Capital Improvement Plan (CIP).

Although \$587,000 will not be adequate to fund all of the following items, the City Manager has identified the following CIP projects as priorities to be considered:

- Funding Aurora corridor improvements:
 - Retrofit inefficient street lights and upgrade light standard deficiencies from N 145th to N 185th Street.
 - Replace the narrow landscaped cobble stone median treatments with stamped concrete.
- Resurface NE 175th Street from 15th Avenue NE to 8th Avenue NE.
- Fund new sidewalk construction on N 195th Street from the Interurban Trail to Ashworth Avenue N.

Approved By: City Manager **DT** City Attorney **MK**

BACKGROUND

The final segment of the Aurora Improvement Project, from N 192nd to N 205th Street, has been completed. The total cost for completion of improvements for this segment is \$41,116,975. The majority of funding to complete this segment of the Aurora corridor is from federal, state and local grant sources and funding partnerships with local utilities. Approximately four percent (4%) of the funding for this segment (\$1,610,468) is from the City's Roads Capital Fund.

Upon completion of the project, a minimum of \$800,000 of the Roads Capital Fund will remain unspent and is available for appropriation. Staff is seeking guidance from the City Council on the projects or activities that these funds could be directed to in the 2017-2022 CIP.

DISCUSSION

When the project was initially authorized for construction by Council on November 25, 2013, Council waived the requirement to contribute 1% of eligible construction costs to the City's Art Fund. This contribution can be made from the remaining funds before allocation of the remainder to the Roads Capital Fund.

After contributing \$212,871 to the City's Art fund, approximately \$587,000 is available to return to the Roads Capital Fund. Staff has identified high priority projects, currently underfunded or unfunded, that could utilize these funds. These projects will be weighed against other priorities while developing the proposed 2017-2022 CIP. Attachment A presents the high priority projects, in order of recommendation, with anticipated project costs and benefits.

It should be noted that there is not enough money available to complete all of the projects listed. Two of the proposed projects individually are more than the remaining money available from the Aurora project and will require a contribution from the City's Road Capital or General Fund to complete.

COUNCIL GOAL ADDRESSED

This item addresses Council Goal #2: Improve Shoreline's utility, transportation, and environmental infrastructure by implementing the first Action Step – implementing the Transportation Master Plan which includes construction of the Aurora Corridor Project.

RESOURCE/FINANCIAL IMPACT

The final segment of the Aurora Improvement Project was completed on time and under budget. The estimated final cost of the project is \$41,116,975. A minimum of \$800,000 of Roads Capital Funding will remain unspent on the project.

If Council adopts staff's recommendation to allocate the eligible constructions costs of \$212,871 for this project to the City's Municipal Art fund, approximately \$587,000 is available to return to the Roads Capital Fund. Staff has identified high priority projects

that could utilize these funds and established recommended projects for consideration in developing the CIP.

RECOMMENDATION

Staff recommends contributing \$212,871 to the City's Municipal Art Fund to meet the project's deferred 1% for the Arts contribution and returning the remaining approximately \$587,000 to the Roads Capital Fund and directing it to be used in the development of the 2017-2022 CIP.

Although \$587,000 will not be adequate to fund all of the following items, the City Manager has identified the following CIP projects as priorities to be considered:

- Funding Aurora corridor improvements:
 - Retrofit inefficient street lights and upgrade light standard deficiencies from N 145th to N 185th Street.
 - Replace the narrow landscaped cobble stone median treatments with stamped concrete.
- Resurface NE 175th Street from 15th Avenue NE to 8th Avenue NE.
- Fund new sidewalk construction on N 195th Street from the Interurban Trail to Ashworth Avenue N.

ATTACHMENTS

Attachment A: Table of High Priority Unfunded Capital Projects

Attachment B: Examples of Existing Conditions in the Aurora Landscaping

Attachment A

Current High Priority Unfunded Projects				
Items		Amount	Description	Benefit of proposal (cost and other factors)
1	Retrofit streets lights from North 145th to North 185th	\$ 250,000	All street lights including decorative light fixtures and pedestrian scale lights to be retrofitted for HPS to LED.	<ul style="list-style-type: none"> • Estimated cost savings due to reduced energy costs would be approximately \$2400/month or a \$28,800 annual savings.
2	Remove cobbles in Aurora medians	\$ 140,000	Remove cobbles and landscaping in narrow medians and replace with decorative stamped concrete. Attachment B provides pictures and further discussion of the existing conditions of the landscaped medians in the earlier phases of the Aurora project.	<ul style="list-style-type: none"> • Improves the uniformity of median landscaping between the different phases of the Aurora project and thereby improve overall project aesthetics. • Increases the safety of maintenance personnel by not having to work in a very narrowly confined area adjacent to traffic. • Eliminates a potential traffic hazard when the current cobbles are dislodged onto the surface of the street. • \$3,400 annual savings from reduced landscaping services
3	Overlay segment of Northeast 175th Street	\$ 1,300,000	Overlay Northeast 175th Street from I-5 to 15th Northeast to address road pavement structure and poor chip seal.	Addresses the pavement condition and the "liquefying" of the chip seal in hot weather. Given that the underlying structure of 175 th is rated fairly high, staff does not believe that this project will be competitive for grant funding.
4	Sidewalk construction on North 195 th , from Interurban to Ashworth Avenue North.	\$ 442,000	New sidewalk construction	A high priority as it completes a missing link in sidewalks along North 195 th and connects to the Interurban Trail and Echo Lake Elementary school
5	Upgrade the median irrigation system on Aurora	\$ up to 800,000	<ul style="list-style-type: none"> • Remove existing drip irrigation systems in a portion of the corridor. • Design and install new irrigation system using new low volume pop-up style heads. (Attachment A) 	<ul style="list-style-type: none"> • Lower maintenance and repair costs. • Improved ability to troubleshoot damage. • More uniform watering to improve plant survivability that may result in a lower water bill.
6	Sidewalk construction on 1 st Ave Northeast, from North 192 nd to North 195 th	\$ 995,000	New sidewalk construction	A high priority as it completes a missing link in sidewalks and connects to the Northeast 195 th sidewalk and bike trail

Examples of Existing Conditions in the Aurora Landscaping

Example of narrow medians with cobblestone and landscaping and with stamped pavement treatment.

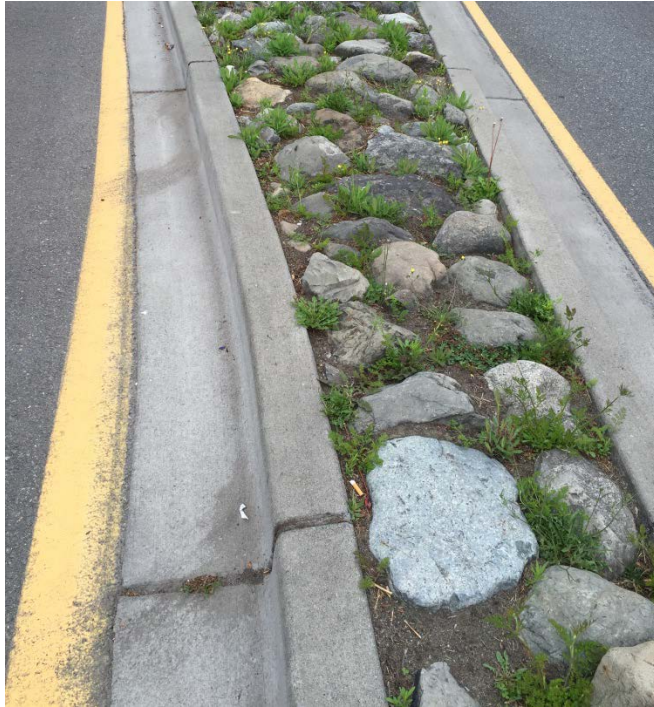


Photo 1
Example of narrow median with cobblestones landscaping and weeds.



Photo 2
Example of a narrow median with a decorative stamped treatment that does not require maintenance.

Example of Drip line and pop-up irrigation systems.

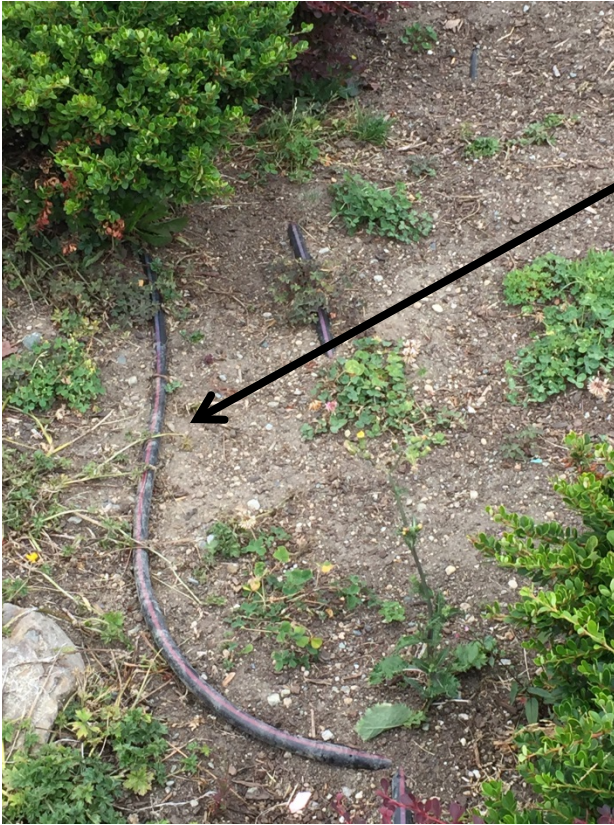


Photo 3
Example of drip line irrigation for corridor landscaping for corridor landscape watering.



Photo 4
Example of pop-up sprinkler for corridor landscape watering.